

# East Bay Laborer



**FEDERAL REGISTER** Published daily, Monday through Friday, (not published on Saturdays, Sundays, or on official holidays), by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, under the Federal Register Act (49 Stat. 500, as amended; 44 U.S.C. Ch. 15) and the regulations of the Administrative Committee of the Federal Register (1 CFR Ch. I). Distribution is made only by the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

The **Federal Register** provides a uniform system for making available to the public regulations and legal notices issued by Federal agencies. These include Presidential proclamations and Executive Orders and Federal agency documents having general applicability and legal effect, documents required to be published by act of Congress and other Federal agency documents of public interest. Documents are on file for public inspection in the Office of the Federal Register the day before they are published, unless earlier filing is requested by the issuing agency.

The seal of the National Archives and Records Administration authenticates this issue of the **Federal Register** as the official serial publication established under the Federal Register Act. 44 U.S.C. 1507 provides that the contents of the **Federal Register** shall be judicially noticed.

The **Federal Register** will be furnished by mail to subscribers for \$340 per year in paper form; \$195 per year in microfiche form; or \$37,500 per year for the magnetic tape. Six-month subscriptions are also available at one-half the annual rate. The charge for individual copies in paper or microfiche form is \$1.50 for each issue, or \$1.50 for each group of pages as actually bound, or \$175.00 per magnetic tape. Remit check or money order, made payable to the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402, or charge to your GPO Deposit Account or VISA or Mastercard.

There are no restrictions on the republication of material appearing in the **Federal Register**.

**How To Cite This Publication:** Use the volume number and the page number. Example: 56 FR 12345.

---

## SUBSCRIPTIONS AND COPIES

---

### PUBLIC

#### Subscriptions:

Paper or fiche	202-783-3238
Magnetic tapes	275-0186
Problems with public subscriptions	275-3054

#### Single copies/back copies:

Paper or fiche	783-3238
Magnetic tapes	275-0186
Problems with public single copies	275-3050

### FEDERAL AGENCIES

#### Subscriptions:

Paper or fiche	523-5240
Magnetic tapes	275-0186
Problems with Federal agency subscriptions	523-5243

For other telephone numbers, see the Reader Aids section at the end of this issue.



# Contents

Federal Register

Vol. 56, No. 169

Friday, August 30, 1991

## Agricultural Marketing Service

### RULES

Soybean promotion, research, and consumer information, 42921

Assessment collection procedures, 42923

## Agriculture Department

*See also* Agricultural Marketing Service; Animal and Plant Health Inspection Service; Food and Nutrition Service; Forest Service; Soil Conservation Service

### RULES

Organization, functions, and authority delegations: Under Secretary for Small Community and Rural Development et al., 42921

## Air Force Department

### RULES

Privacy Act; implementation, 42939

### NOTICES

Environmental statements; availability, etc.: Westover Air Force Base, MA, 42986

## Animal and Plant Health Inspection Service

### NOTICES

Environmental statements; availability, etc.: Pennsylvania; live vaccinia vectored rabies vaccine; field test, 42971

Genetically engineered organisms for release into environment; permit applications, 42972

Veterinary biological products; production and establishment licenses, 42971

## Army Department

### NOTICES

Privacy Act: Systems of records, 42986-42995 (3 documents)

## Arts and Humanities, National Foundation

*See* National Foundation on the Arts and the Humanities

## Blind and Other Severely Handicapped, Committee for Purchase From

*See* Committee for Purchase From the Blind and Other Severely Handicapped

## Census Bureau

### NOTICES

Surveys, determinations, etc.: Communications, public utilities, and transportation; finance, insurance, and real estate; services not classified elsewhere, 42976

## Children and Families Administration

### NOTICES

Agency information collection activities under OMB review, 43024

### Meetings:

Child Abuse and Neglect Advisory Board, 43024

## Coast Guard

### RULES

Ports and waterways safety:

Boquet River and Lake Champlain, NY; safety zone, 42942

Connecticut River, Middletown, CT; safety zone, 42943

Little AuSable River and Lake Champlain, NY; safety zone, 42942

Ohio River, Louisville, KY; safety zone, 42943, 42944 (2 documents)

Regattas and marine parades:

Bell South Mobility International Outboard Grand Prix, 42941

Virginia Beach Offshore Grand Prix II, 42939

### PROPOSED RULES

Pollution:

Vessel response plans and discharge-removal equipment carriage and inspection, 43534

## Commerce Department

*See* Census Bureau; Export Administration Bureau; International Trade Administration; National Institute of Standards and Technology; National Oceanic and Atmospheric Administration

## Commission on Interstate Child Support

### NOTICES

Meetings, 42985

## Committee for Purchase From the Blind and Other Severely Handicapped

### NOTICES

Procurement list; additions and deletions, 42983-42985 (3 documents)

## Commodity Futures Trading Commission

### NOTICES

Meetings:

Agricultural Advisory Committee, 42985

## Comptroller of the Currency

### NOTICES

Highly-leveraged transactions; supervisory definition, 43060

## Defense Department

*See also* Air Force Department; Army Department

### RULES

Military installations inside U.S.; State traffic laws enforcement, 42938

### NOTICES

DOD directives system annual index: Change 2 availability, 42986

## Drug Enforcement Administration

### RULES

Schedules of controlled substances:

Anabolic steroid products, 42935

## Education Department

### NOTICES

Administrative Law Judges Office hearings:

Claim compromises—

Iowa Education Department, 43004

Grants and cooperative agreements; availability, etc.:  
Individuals with disabilities education research program,  
43005

Meetings:  
Indian Education National Advisory Council, 43005

### Employment and Training Administration

#### NOTICES

Adjustment assistance:  
Abbott & Co. et al., 43043  
Federal Mogul Corp., 43044

### Employment Standards Administration

#### NOTICES

Minimum wages for Federal and federally-assisted  
construction; general wage determination decisions,  
43042

### Energy Department

See also Federal Energy Regulatory Commission; Hearings  
and Appeals Office, Energy Department

#### RULES

Acquisition regulations:  
Small Business Act section 8(a) contracting; procurements  
exemption from formal Source Evaluation Board  
procedures, 42946

#### NOTICES

Grants and cooperative agreements; availability, etc.:  
Nuclear waste monitoring retrievable storage facility;  
feasibility studies for siting, 43006

### Environmental Protection Agency

#### RULES

Hazardous waste program authorizations:  
New York, 42944

#### NOTICES

Environmental statements; availability, etc.:  
Agency statements—  
Comment availability, 43021  
Weekly receipts, 43023

Pesticides; emergency exemptions, etc.:  
Fenpropathrin, 43022

Toxic and hazardous substances control:  
Asbestos-containing materials in schools—  
EPA-approved courses and tests, and accredited  
laboratories, 43064

### Executive Office of the President

See Presidential Documents

### Export Administration Bureau

#### NOTICES

Export privileges, actions affecting:  
Delft Instruments N.V. et al., 42977

### Federal Aviation Administration

#### PROPOSED RULES

Airworthiness directives:  
Boeing, 42960-42962  
(3 documents)  
British Aerospace, 42964  
Airworthiness standards:  
Special conditions—  
Bell Helicopter Textron model 412 SAR helicopter,  
42958

VOR Federal airways, 42965

#### NOTICES

Exemption petitions; summary and disposition, 43054

### Meetings:

Aeronautics Radio Technical Commission, 43054  
Aviation Rulemaking Advisory Committee, 43055  
(2 documents)

### Federal Communications Commission

#### RULES

Radio stations; table of assignments:  
Louisiana, 42946

#### PROPOSED RULES

Radio stations; table of assignments:  
California, 42966  
South Carolina, 42967  
Texas, 42967

### Federal Deposit Insurance Corporation

#### NOTICES

Highly-leveraged transactions; supervisory definition, 43060

### Federal Energy Regulatory Commission

#### NOTICES

Electric rate, small power production, and interlocking  
directoriate filings, etc.:

Las Vegas Cogeneration Limited Partnership et al., 43006

Environmental statements; availability, etc.:

Big Bear Area Regional Wastewater Agency, 43007

Hydroelectric applications, 43007

Natural gas certificate filings:

Florida Gas Transmission Co. et al., 43010

*Applications, hearings, determinations, etc.:*

Arkla Energy Resources, 43015

Citizens for Clean Air and Reclaiming Our Environment  
et al., 43015

El Paso Natural Gas Co. et al., 43015

Franklin Hydro, Inc., 43015

Granite State Gas Transmission, Inc., 43016

Transcontinental Gas Pipe Line Corp., 43016, 43017  
(2 documents)

Williston Basin Interstate Pipeline Co., 43017

### Federal Maritime Commission

#### NOTICES

Complaints filed:

Ariel Maritime Group, Inc., et al., 43023

### Federal Reserve System

#### NOTICES

Highly-leveraged transactions; supervisory definition, 43060

Meetings; Sunshine Act, 43062

(2 documents)

### Fish and Wildlife Service

#### RULES

Migratory bird hunting:

Federal Indian reservations and ceded lands, 43542

#### PROPOSED RULES

Endangered and threatened species:

Findings on petitions, etc., 42968

### Food and Drug Administration

#### RULES

Food additives:

Polymers—

Colorants, 42927

#### NOTICES

Human drugs:

External analgesic products (OTC)—

Hydrocortisone; enforcement policy, 43025

**Meetings:**

Human organ and tissue transplantation; hearing, 43026

**Food and Nutrition service****PROPOSED RULES****Food stamp program:**

Employment and training requirements; Hunger Prevention Act of 1988, outcome-based performance standards, 43152

**Forest Service****NOTICES****Appeal exemptions; timber sales:**

Sierra National Forest, CA, 42973

**Environmental statements; availability, etc.:**

Siskiyou National Forest, OR, 42974

Tongass National Forest, AK, 42975

**Health and Human Services Department**

*See also* Children and Families Administration; Food and

Drug Administration; Health Care Financing

Administration; Health Resources and Services

Administration; Social Security Administration

**NOTICES**

Agency information collection activities under OMB review, 43024

**Health Care Financing Administration****RULES****Medicare:**

Inpatient hospital prospective payment system and 1992 FY rates, 43196

Inpatient hospital prospective payment system; capital-related costs, 43358

**Health Resources and Services Administration****NOTICES****Meetings; advisory committees:**

September, 43028

**Hearings and Appeals Office, Energy Department****NOTICES**

Decisions and orders, 43017, 43019  
(2 documents)

**Housing and Urban Development Department****NOTICES****Grants and cooperative agreements; availability, etc.:**

Facilities to assist homeless—

Excess and surplus Federal property, 43029

Supplemental assistance program, 43526

**Immigration and Naturalization Service****PROPOSED RULES****Immigration:**

Applicant processing for legalization program; family unity benefits, 42948

**Nonimmigrant classes:**

Treaty aliens E classification; investors, 42952

**Interior Department**

*See* Fish and Wildlife Service; Land Management Bureau

**International Trade Administration****NOTICES****Antidumping:**

Anhydrous sodium metasilicate from France, 42979

**Short supply determinations:**

Mirror-polished stainless steel sheet, 42980

**International Trade Commission****NOTICES****Import investigations:**

Personal word processors from—  
Japan, 43035

**Interstate Child Support Commission**

*See* Commission on Interstate Child Support

**Interstate Commerce Commission****NOTICES****Motor and water carriers:**

Finance applications, 43035

**Justice Assistance Bureau****NOTICES****Grants and cooperative agreements; availability, etc.:**

Criminal history record improvement program; evaluation, 43035

**Justice Department**

*See* Drug Enforcement Administration; Immigration and

Naturalization Service; Justice Assistance Bureau

**Labor Department**

*See* Employment and Training Administration; Employment Standards Administration

**Land Management Bureau****NOTICES****Management framework plans, etc.:**

Idaho; correction, 43033

**Meetings:**

Butte District Grazing Advisory Board and Advisory Council, 43033

Craig District Grazing Advisory Board, 43033

Roswell District Grazing Advisory Board, 43034

**Realty actions; sales, leases, etc.:**

Arizona, 43034

New Mexico, 43034

**Legal Services Corporation****NOTICES****Grant and cooperative agreement awards:**

Legal Services Agency of Western Carolina, Inc., 43045

**National Archives and Records Administration****NOTICES**

Agency records schedules; availability, 43045

**National Commission on Severely Distressed Public Housing****NOTICES****Meetings, 43046**

(2 documents)

**National Foundation on the Arts and the Humanities****NOTICES****Meetings:**

Expansion Arts Advisory Panel, 43046

Inter-Arts Advisory Panel, 43047

Visual Arts Advisory Panel, 43047

**National Institute of Standards and Technology****NOTICES**

Information processing standards, Federal:  
Digital signature standard (DSS), 42980

**National Oceanic and Atmospheric Administration****PROPOSED RULES**

Endangered and threatened species:  
Snake River spring, summer, and fall chinook salmon,  
42970

**NOTICES**

Fishery conservation and management:  
Atlantic swordfish, 42982

**Meetings:**

Oceanic and Atmospheric Management Advisory  
Committee, 42983

**Permits:**

Marine mammals, 42983

**Personnel Management Office****NOTICES**

Committees; establishment, renewal, termination, etc.:  
Law Enforcement and Protective Occupations, Director's  
Advisory Committee, 43047

Health benefits, Federal employees:  
Medically underserved areas, 43048

**Meetings:**

Law Enforcement and Protective Occupations, Director's  
Advisory Committee, 43048

**Presidential Documents****PROCLAMATIONS***Special observances:*

Commodore John Barry Day (Proc. 6328), 42919

**Public Health Service**

See Food and Drug Administration; Health Resources and  
Services Administration

**Securities and Exchange Commission****NOTICES**

Self-regulatory organizations; proposed rule changes:  
Depository Trust Co., 43048  
Stock Clearing Corp. of Philadelphia, 43049  
*Applications, hearings, determinations, etc.:*  
Variable Annuity Life Insurance Co. et al., 43051

**Severely Distressed Public Housing, National Commission**  
See National Commission on Severely Distressed Public  
Housing

**Social Security Administration****NOTICES**

Agency information collection activities under OMB review,  
43029

**Soil Conservation Service****NOTICES**

Environmental statements; availability, etc.:  
Watauga High School, NC, 42976

**Susquehanna River Basin Commission****NOTICES**

Project review filing and monitoring fee schedule; hearing,  
43053

**Transportation Department**

See also Coast Guard; Federal Aviation Administration

**NOTICES**

Aviation proceedings:  
Hearings, etc.—  
Air Southeast, Inc., 43053

**Treasury Department**

See also Comptroller of the Currency

**RULES**

Claims regulations:  
Employee indemnification, 42937

**NOTICES**

Agency information collection activities under OMB review,  
43058, 43059  
(2 documents)

**Meetings:**

Customs Service Commercial Operations Advisory  
Committee, 43060

**Notes, Treasury:**

AE-1993 series, 43056  
S-1996 series, 43057

**United States Information Agency****NOTICES**

Art objects, importation for exhibition:  
Spanish Guitar, 43061

**Separate Parts In This Issue****Part II**

Environmental Protection Agency, 43064

**Part III**

Department of Agriculture, Food and Nutrition Service,  
43152

**Part IV**

Department of Health and Human Services, Health Care  
Financing Administration, 43196

**Part V**

Department of Health and Human Services, Health Care  
Financing Administration, 43358

**Part VI**

Department of Housing and Urban Development, 43526

**Part VII**

Department of Transportation, Coast Guard, 43534

**Part VIII**

Department of the Interior, Fish and Wildlife Service, 43542

**Reader Aids**

Additional information, including a list of public  
laws, telephone numbers, and finding aids, appears  
in the Reader Aids section at the end of this issue.

**CFR PARTS AFFECTED IN THIS ISSUE**

A cumulative list of the parts affected this month can be found in the Reader Aids section at the end of this issue.

**3 CFR****Proclamations:**

6328..... 42919

**7 CFR**

2..... 42921

1220 (2 documents)..... 42921,  
42923

**Proposed Rules:**

271..... 43152

273..... 43152

**8 CFR****Proposed Rules:**

103..... 42948

214..... 42952

242..... 42948

243..... 42948

264..... 42848

274a..... 42948

299..... 42948

**14 CFR****Proposed Rules:**

21..... 42958

29..... 42958

39 (4 documents)..... 42960-  
42964

71..... 42965

**21 CFR**

175..... 42927

176..... 42927

177..... 42927

178..... 42927

1308..... 42935

**31 CFR**

3..... 42937

**32 CFR**

210..... 42938

806b..... 42939

**33 CFR**

100 (2 documents)..... 42939,  
42941

165 (5 documents)..... 42942-  
42944

**Proposed Rules:**

155..... 43534

**40 CFR**

271..... 42944

**42 CFR**

412 (2 documents)..... 43196,  
43358

413 (2 documents)..... 43196,  
43358

**47 CFR**

73..... 42946

**Proposed Rules:**

73 (3 documents)..... 42966,  
42967

**48 CFR**

919..... 42946

**50 CFR**

20..... 43542

**Proposed Rules:**

17..... 42968

227..... 42970



---

# Presidential Documents

---

Title 3—

Proclamation 6328 of August 26, 1991

The President

Commodore John Barry Day, 1991

By the President of the United States of America

## A Proclamation

During its War for Independence, our Nation faced a great and proven sea power. The young Continental Navy, which had been established by the Continental Congress in October 1775, was only a fraction of the size of the British fleet. Nevertheless, the small American naval force not only achieved several key victories during the War but also established a tradition of courageous service that continues to this day. On this occasion, we honor the memory of one of America's first and most distinguished naval leaders, Commodore John Barry.

After immigrating to the United States from Ireland, John Barry became a successful shipmaster in Philadelphia. He was also an enthusiastic supporter of American Independence, and when the Revolutionary War began, he readily volunteered for service. Thus, John Barry was commissioned as one of the first captains of the Continental Navy.

Captain Barry served bravely and with distinction throughout the course of the War. While commanding the brig LEXINGTON, he captured the British sloop EDWARD in April 1776. This victory marked the first capture in battle of a British vessel by a regularly commissioned American warship. Seven years later, Captain Barry participated in the last American naval victory of the War, leading the frigate ALLIANCE against H.M.S. SYBILLE in March 1783.

Captain Barry's record of service to our country is distinguished not only by its length but also by his extraordinary patriotism and daring. In late 1776, he led a raid by four small boats against British vessels on the Delaware River and seized a significant quantity of supplies that had been meant for the British Army. Serving as a volunteer artillery officer in December of that year, Captain Barry participated in General George Washington's celebrated campaign to cross the Delaware River, which led to victory at the Battle of Trenton.

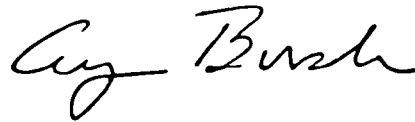
Captain Barry continued to serve our country after the end of the Revolution, helping to make the American victory a meaningful and enduring one. Active in Pennsylvania politics, he became a strong supporter of the Constitution, which was ratified by the State Assembly on December 12, 1787. In June 1794, President George Washington appointed him as a commander of the new frigate U.S.S. UNITED STATES, one of six that were built as part of a permanent American naval armament. For the remaining years of his life, Commodore Barry helped to build and to lead the new United States Navy, commanding not only the U.S.S. UNITED STATES but also "Old Ironsides," the U.S.S. CONSTITUTION.

Commodore John Barry died on September 13, 1803, but his outstanding legacy of service is carried on today by all those brave and selfless Americans who wear the uniform of the United States Navy.

The Congress, by Public Law 102-92, has designated September 13, 1991, as "Commodore John Barry Day" and has authorized and requested the President to issue a proclamation in observance of this day.

NOW, THEREFORE, I, GEORGE BUSH, President of the United States of America, do hereby proclaim September 13, 1991, as Commodore John Barry Day. I invite all Americans to observe this day with appropriate ceremonies and activities in honor of those individuals, past and present, who have served in the United States Navy.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-sixth day of August, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.





# Rules and Regulations

Federal Register

Vol. 56, No. 169

Friday, August 30, 1991

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510. The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

## DEPARTMENT OF AGRICULTURE

### Office of the Secretary

#### 7 CFR Part 2

#### Revision of Delegations of Authority

**AGENCY:** Department of Agriculture.

**ACTION:** Final rule.

**SUMMARY:** This document revises the delegations of authority from the Secretary of Agriculture and general officers of the U.S. Department of Agriculture (USDA) to delegate to the Under Secretary for Small Community and Rural Development and the Administrator of the Farmers Home Administration authority to carry out the Agricultural Resource Conservation Demonstration Program, also known as the Farms for the Future Program.

**EFFECTIVE DATE:** August 30, 1991.

**FOR FURTHER INFORMATION CONTACT:** Robert L. Siegler, Deputy Assistant General Counsel, Office of the General Counsel, United States Department of Agriculture, Washington, DC 20250, (202) 447-6035.

**SUPPLEMENTARY INFORMATION:** Sections 1465 through 1470 of the Food, Agriculture, Conservation, and Trade Act of 1990, Public Law No. 101-624, directs the Secretary of Agriculture, acting through the Farmers Home Administration, to establish and implement an Agricultural Resource Conservation Demonstration Program, to provide Federal guarantees and interest rate assistance for loans made by lending institutions to State trust funds. This document delegates authority to the Under Secretary for Small Community and Rural Development and the Administrator of the Farmers Home Administration to establish and implement that program. While funds are currently available to implement the program only in Vermont,

the delegations of authority will allow the Farmers Home Administration to implement the program nationwide in the event that other states are eligible to participate and funds are appropriated for that purpose.

This rule relates to internal agency management. Therefore, pursuant to 5 U.S.C. 553, notice of proposed rule making and opportunity for comment are not required, and this rule may be made effective less than 30 days after publication in the Federal Register. Further, since this rule relates to internal agency management, it is exempt from the provisions of Executive Order No. 12291. Finally, this action is not a rule as defined by Public Law No. 96-354, the Regulatory Flexibility Act, and thus is exempt from the provisions of that Act.

#### List of Subjects in 7 CFR Part 2

Authority delegations (Government agencies).

### PART 2—DELEGATIONS OF AUTHORITY BY THE SECRETARY OF AGRICULTURE AND GENERAL OFFICERS OF THE DEPARTMENT

Accordingly, part 2, title 7, Code of Federal Regulations is amended as follows:

1. The authority citation for part 2 continues to read as follows:

Authority: 5 U.S.C. 301 and Reorganization Plan No. 2 of 1953.

#### Subpart C—Delegations of Authority to the Deputy Secretary, the Under Secretary for International Affairs and Commodity Programs, the Under Secretary for Small Community and Rural Development, and Assistant Secretaries

2. Section 2.23 is amended by adding a new paragraph (a)(21) to read as follows:

#### § 2.23 Delegations of authority to the Under Secretary for Small Community and Rural Development.

\* \* \*

(a) \* \* \*

(21) Acting through the Farmers Home Administration, establish and implement the Agricultural Resource Conservation Demonstration Program pursuant to sections 1465 through 1470 of Public Law No. 101-624.

\* \* \*

3. Section 2.24 is amended by adding a new paragraph (a) to read as follows:

#### § 2.24 Reservations of authority.

\* \* \*

(a) *Related to farmers home activities.* Submission to the Congress of the report required pursuant to section 1469 of Public Law No. 101-624.

\* \* \*

### Subpart I—Delegations of Authority by the Under Secretary for Small Community and Rural Development

4. Section 2.70 is amended by adding a new paragraph (a)(37) to read as follows:

#### § 2.70 Delegation to the Administrator, Farmers Home Administration.

(a) *Delegations.* \* \* \*

(37) Establish and implement the Agricultural Resource Conservation Demonstration Program pursuant to sections 1465 through 1470 of Public Law No. 101-624.

\* \* \*

For Subpart C

Dated: August 27, 1991.

Edward Madigan,  
Secretary of Agriculture.

For Subpart I

Dated: August 27, 1991.

Michael M.F. Liu,  
Acting Under Secretary for Small Community and Rural Development.

[FR Doc. 91-20843 Filed 8-29-91; 8:45 am]

BILLING CODE 3410-14-M4

### Agricultural Marketing Service

#### 7 CFR Part 1220

[LS-91-004]

#### Soybean Promotion and Research Order

**AGENCY:** Agricultural Marketing Service, USDA.

**ACTION:** Interim final rule with request for comments.

**SUMMARY:** This interim final rule would amend the Soybean Promotion and Research Order to modify the assessment collection procedures concerning soybeans pledged as collateral for loans issued by the Commodity Credit Corporation. This

rule provides that the Commodity Credit Corporation would not collect assessments from proceeds of the loan. If a producer forfeits soybeans in lieu of loan repayment, the Commodity Credit Corporation as first purchaser would notify the Qualified State Soybean Board in the State where the soybeans were pledged, or if no Qualified State Soybean Board exists in such State, the Board, of such forfeiture. The Commodity Credit Corporation would bill the producer for the assessment due and the producer would be responsible for remitting the assessment. If a producer repays a loan and the soybeans are redeemed, the first purchaser of the redeemed soybeans would collect and remit the assessments or the producer would remit the assessment when the producer markets the soybeans as processed soybeans or soybean products of that producer's own production. These changes are designed to facilitate the assessment collection and remittance process and reduce the time and expense involved by eliminating the need for (1) the Commodity Credit Corporation to collect assessments from loans made to producers, and (2) Qualified State Soybean Boards to reimburse producers for assessments collected and remitted by the Commodity Credit Corporation upon disbursement of the loan.

**DATES:** This interim final rule is effective September 1, 1991. Comments must be received by September 30, 1991.

**ADDRESSES:** Send two copies of comments to the Marketing Programs Branch; Livestock and Seed Division; Agricultural Marketing Service, U.S. Department of Agriculture, room 2624-S; P.O. Box 96456; Washington, DC 20090-6456, where they will be available for public inspection during regular business hours.

**FOR FURTHER INFORMATION CONTACT:** Ralph L. Tapp, Chief; Marketing Programs Branch; Livestock and Seed Division; AMS, USDA, room 2624-S; P.O. Box 96456; Washington, DC 20090-6456. (Telephone: 202/382-1115).

**SUPPLEMENTARY INFORMATION:** Prior document: Final Rule—Soybean Promotion and Research Order published July 9, 1991 (56 FR 31043).

#### Regulatory Impact

This interim final rule was reviewed in accordance with Executive Order No. 12291 and Departmental Regulation No. 1512-1 and has been classified as a "nonmajor" rule because it does not meet the criteria for a major rule as stated in the Order.

This action also was reviewed under the Regulatory Flexibility Act (5 U.S.C.

601 et. seq.). This rule modifies assessment collection procedures concerning soybeans pledged as collateral for loans issued by the Commodity Credit Corporation. The Administrator of the Agricultural Marketing Service has determined that this action will not have a significant economic impact on a substantial number of small business entities.

#### Paperwork Reduction

In accordance with the Paperwork Reduction Act of 1980 (44 U.S.C. chapter 35) the reporting and recordkeeping included in 7 CFR part 1220 were previously approved by the Office of Management and Budget (OMB) and were assigned OMB No. 0581-0093 except that OMB No. 0581-0001 was assigned to an information collection requirement in § 1220.525(a)(2).

#### Background

The Soybean Promotion, Research, and Consumer Information Act (Act) approved November 28, 1990, as subtitle E of title XIX of the Food, Agriculture, Conservation, and Trade Act of 1990 provides for the establishment of a national program of promotion, research, consumer information, and industry information designed to strengthen the soybean industry's position in the marketplace, to maintain and expand existing domestic and foreign markets and uses for soybeans and soybean products, and to develop new markets and uses for soybeans and soybean products. This program will be financed by assessments on soybeans.

The Soybean Promotion and Research Order (Order), 7 CFR part 1220 published in the *Federal Register* on July 9, 1991 (56 FR 31043) in § 1220.223 defined the Commodity Credit Corporation as a "First Purchaser." Further, the Order provided that the Commodity Credit Corporation would deduct the assessments due pursuant to the Order prior to any loan proceeds being distributed to the producer. Designation of the Commodity Credit Corporation as a first purchaser in the case of all loans adds considerably to the administrative and clerical workload of the producer, the Commodity Credit Corporation, the Qualified State Soybean Boards and the United Soybean Board (Board). The procedure, as the Order is written, would require that the Commodity Credit Corporation deduct an assessment from the loan proceeds, remit it to the Qualified State Soybean Board or Board. The Qualified State Soybean Board or the Board would refund the assessment to the producer upon notification from the Commodity Credit Corporation that the soybeans

had been redeemed. The producer upon selling the redeemed soybeans would then pay an assessment to the first purchaser of the redeemed soybeans or the producer would remit the assessment when the producer markets the soybeans as processed soybeans or soybean products of that producer's own production. In most cases, the producer would not have received the refund of the assessment collected by the Commodity Credit Corporation by the time the producer would have to pay an assessment on the redeemed soybeans. This procedure is cumbersome and creates the opportunity for duplication and error. Under the loan program provisions of the 1990 Farm Bill, the Commodity Credit Corporation is to develop rules and regulations to minimize the Government taking ownership of soybeans pledged as collateral for a loan.

Section 1969(l)(1)(A)(iii) of the Act provides that "No more than one assessment shall be made on any soybeans." The Board has recommended that the remittance process would be greatly facilitated if the Commodity Credit Corporation were deemed to be the "First Purchaser" only when the producer forfeits soybeans pledged by that producer as collateral for said loan. The Commodity Credit Corporation will at the time of the loan settlement on the forfeited soybeans, bill the producer for the assessments due based on 0.5 percent of the principal loan amount received by the producer, and notify the producer to remit the specified amount of assessment to the Qualified State Soybean Board in the State in which the soybeans were pledged, or if no Qualified State Soybean Board exists in such State, the Board. The Commodity Credit Corporation will also notify the Qualified State Soybean Board in the State in which the soybeans were pledged, or if no Qualified State Soybean Board exists in such State, the Board, of its acquisition of the forfeited soybeans and the amount of assessments due as a result of the loan settlement. The producer would then become responsible for remitting the assessment as of the date of the settlement of the loan and billing of the assessment by the Commodity Credit Corporation.

The Commodity Credit Corporation would not be considered to be a first purchaser in instances where a producer has not forfeited the soybeans pledged as collateral for a loan. If a producer repays a loan and the soybeans are redeemed, the first purchaser of the

redeemed soybeans would collect and remit the assessment or the producer would remit the assessment if the producer markets the redeemed soybeans as processed soybeans or soybean products of that producer's own production.

Accordingly, § 1220.223 Assessments is amended to reflect these changes. Also, the definitions of first purchaser in § 1220.110 and of net market price in § 1220.115 are amended.

Pursuant to 5 U.S.C. 535, it is found and determined, upon good cause, that it is impracticable, unnecessary and contrary to the public interest to give preliminary notice prior to putting this rule into effect and that good cause exists for not postponing the effective date of this action until 30 days after publication in the *Federal Register*. The Soybean Promotion and Research Order was published as a final rule in the July 9, 1991, issue of the *Federal Register* (56 FR 31043). The Order was made effective on July 9, 1991, except that § 1220.223 concerning assessments is effective on September 1, 1991. This action amends § 1220.223 and therefore, the revisions made herein should be made effective on the same date as that section of the Orders.

#### List of Subjects in 7 CFR Part 1220

Administrative practice and procedure, Advertising, Agricultural research, Marketing agreements, Soybeans and soybean products, Reporting and Recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 1220 is amended as follows:

#### PART 1220—SOYBEAN PROMOTION, RESEARCH, AND CONSUMER INFORMATION

1. The authority citation for 7 CFR part 1220 continues to read as follows:

Authority: Title XIX, Pub. L. No. 101-624, 104 Stat. 3359, 3881 (7 U.S.C. 6301-6311).

2. Section 1220.110 is amended by revising paragraph (b) to read as follows:

##### § 1220.110 First purchaser.

(b) In any case in which soybeans are pledged as collateral for a loan issued under any federal price support loan program and the soybeans are forfeited by the producer in lieu of loan repayment, the Commodity Credit Corporation.

3. Section 1220.115 is amended by revising paragraph (b) to read as follows:

##### § 1220.115 Net market price.

(b) For soybeans pledged as collateral for a loan issued under any price support loan program, administered by the Commodity Credit Corporation, where the soybeans are forfeited by the producer in lieu of loan repayment, the principal amount of the loan.

4. Section 1220.223 is amended by revising the first sentence of paragraph (a)(1) and (a)(5)(ii) to read as follows:

##### § 1220.223 Assessments.

(a)(1) Except as prescribed by regulations approved by the Secretary or as otherwise provided in this section, each first purchaser of soybeans shall collect an assessment from the producer, and each producer shall pay such assessment to the first purchaser, at the rate of one-half of one percent (0.5%) of the net market price of the soybeans purchased. \* \* \*

\* \* \* \* \*

(5) \* \* \*

(ii)(A) If a producer pledges soybeans grown by that producer as collateral for a loan issued by the Commodity Credit Corporation and if that producer forfeits said soybeans in lieu of loan repayment, the Commodity Credit Corporation shall at the time of the loan settlement, bill the producer for the assessments due based on 0.5 percent of the principal loan amount received by the producer, and notify the producer to remit the amount of assessment specified in the bill to the Qualified State Soybean Board in the State in which the soybeans were pledged, or if no Qualified State Soybean Board exists in such State, the Board. The Commodity Credit Corporation will also notify the Qualified State Soybean Board in the State in which the soybeans were pledged, or if no Qualified State Soybean Board exists in such State, the Board, of its acquisition of the forfeited soybeans and the amount of assessments due as a result of the loan settlement. The producer shall be responsible for remitting the assessment as of the date of the settlement of the loan and billing of the assessment by the Commodity Credit Corporation as prescribed in regulations approved by the Secretary.

(B) If a producer markets soybeans which have been pledged as collateral for a loan issued by the Commodity Credit Corporation, the first purchaser shall collect and remit the assessments due pursuant to paragraph (a)(1) of this section, or if a producer markets such soybeans as processed or as soybean products the producer shall remit the

assessment pursuant to paragraph (a)(2) of this section.

\* \* \* \* \*

Done at Washington, DC, August 27, 1991  
John E. Frydenlund,  
Acting Assistant Secretary, Marketing and Inspection Services.

[FR Doc. 91-20936 Filed 8-29-91; 8:45 am]

BILLING CODE 3410-02-M

#### 7 CFR Part 1220

[No. LS-91-005]

#### Soybean Promotion and Research; Rules and Regulations

**AGENCY:** Agricultural Marketing Service, USDA.

**ACTION:** Interim final rule with request for comments.

**SUMMARY:** This rule implements the Soybean Promotion and Research Order, which established a national and industry-funded soybean promotion and research program. This rule includes provisions (1) detailing the collection and remittance process; (2) establishing a form of certification for exempt transactions; (3) identifying the Qualified State Soybean Boards; (4) providing refund procedures; and (5) establishing procedures for remitting assessments due on forfeited soybeans pledged as collateral for Commodity Credit Corporation loans.

**DATES:** This interim final rule is effective September 1, 1991. Comments on the interim rule must be received by September 30, 1991.

**ADDRESSES:** Send two copies of comments to the Marketing Programs Branch; Livestock and Seed Division; Agricultural Marketing Service, U.S. Department of Agriculture, room 2624-S; P.O. Box 96456; Washington, DC 20090-6456, where they will be available for public inspection during regular business hours. Comments concerning the information collection requirements contained in this action should also be sent to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503. Attention: Desk Officer for Agricultural Marketing Service, USDA.

**FOR FURTHER INFORMATION CONTACT:** Ralph L. Tapp, Chief; Marketing Programs Branch; Livestock and Seed Division; AMS, USDA, room 2624-S; P.O. Box 96456; Washington, DC 20090-6456. (Telephone: 202/382-1115).

**SUPPLEMENTARY INFORMATION:** Prior document: Final Rule—Soybean Promotion and Research Order (published July 9, 1991) (56 FR 31043).

### Regulatory Impact

This interim final rule was reviewed in accordance with Executive Order No. 12291 and Departmental Regulation No. 1512-1 and has been classified as a "nonmajor" rule because it does not meet the criteria for a major rule as stated in the Order.

This action was also reviewed under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*).

This rule includes provisions: (1) Detailing the collection and remittance process; (2) establishing a form of certification of exempt transactions (3) identifying the Qualified State Soybean Boards; (4) providing refund procedures; and (5) establishing procedures for remitting assessments due on forfeited soybeans pledged as collateral for a Commodity Credit Corporation loan.

The most recent available census of agricultural producers indicates that there are 439,093 soybean producers in the United States, an estimated 431,710 of whom would be classified as small businesses under the criteria established by the Small Business Administration (13 CFR § 121.2). Soybean producers are required to pay an assessment of one-half of one percent of market value of soybeans marketed. In addition an estimated 10,000 first purchasers of soybeans are required to collect and remit the assessments. Although the assessments are expected to total approximately \$50-\$60 million dollars annually, the economic impact of a one-half of one-percent of market value assessment on each individual producer, including small producers, will not be significant. Reporting and recordkeeping requirements are imposed on first purchasers of soybeans and on producers marketing soybeans and on producers marketing soybeans and soybean products of their own production. This burden should average less than 5 hours per year, so its economic impact will not be significant. In addition, the promotion and research program funded by the assessments is expected to benefit the producers and first purchasers by expanding and maintaining new and existing domestic and foreign markets and uses for soybeans and soybean products. Therefore, the Administrator of the Agricultural Marketing Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

### Paperwork Reduction

In accordance with the Paperwork Reduction Act of 1980 (44 U.S.C. chapter 35) the reporting and recordkeeping requirements included in part 1220 were

previously approved by the Office of Management and Budget (OMB) and were assigned OMB No. 0581-0093, except that OMB No. 0581-0001 was assigned to an information collection requirement in § 1220.525(a)(2). There are an estimated 439,093 soybean producers and an estimated 10,000 first purchasers. Information collection requirements contained in this action include a report by persons marketing soybeans, processed soybeans, or soybean products and persons collecting assessments on soybeans (an estimated 10,000 respondents with an estimated average reporting burden of one hour per response); a certification form to claim non-producer status (an estimated 2,000 respondents with an estimated average reporting burden of 0.03 hours per response); and an application for a refund of assessments (an estimated 30,000 respondents with an estimated average reporting burden of 0.08 hours per response). Comments concerning the information collection requirements contained in this action, should also be sent to the Office of Information and Regulatory Affairs; Office of Management and Budget; Washington, DC 20503. Attention: Desk Officer for Agricultural Marketing Service, USDA.

### Background

The Soybean Promotion, Research, and Consumer Information Act (Act) approved November 28, 1990, as subtitle E of title XIX of the Food, Agriculture, Conservation, and Trade Act of 1990 provides for the establishment of a national program of promotion, research, consumer information, and industry information designed to strengthen the soybean industry's position in the marketplace, to maintain and expand existing domestic and foreign markets and uses for soybeans and soybean products and to develop new markets and uses for soybeans and soybean products. This program will be financed by assessments on soybeans. Pursuant to the Act, a Soybean Promotion and Research Order has been issued and assessments will begin September 1, 1991. The Order requires that first purchasers of soybeans shall collect an assessment from producers and remit such assessments to the Qualified State Soybean Board in the first purchaser's State or to the Board.

This rule includes provisions: (1) Detailing the collection and remittance process; (2) establishing a form of certification for exempt transactions; (3) identifying the Qualified State Soybean Boards; (4) providing refund procedures; and (5) establishing procedures for remitting assessments on forfeited

soybeans pledged as collateral on Commodity Credit Corporation loans.

The Soybean Promotion, Research, and Consumer Information Act authorizes the establishment of a national soybean promotion, research, consumer information, and industry information program. The program will be funded by an assessment of 0.5 of one percent of the net market price of soybeans marketed by soybean producers.

The final Order establishing a soybean promotion and research program was published in the July 9, 1991, issue of the *Federal Register* (56 FR 31043). The Order requires that the first purchaser remit assessments to the Qualified State Soybean Board or to the Board if the State does not have a Qualified State Soybean Board. The Order further provides that producers participating in such Qualified State Soybean Promotion and Research programs shall be entitled to a credit of up to 0.25 of one percent of the net market value of soybeans marketed for participating in such a program. The remaining portion of the assessment will be forwarded to the Board to fund national promotion and other authorized activities while the portion credited to the Qualified State Soybean Boards will be used for comparable programs at the State level.

The program is administered by a United Soybean Board composed of soybean producers appointed by the Secretary from nominations submitted by industry organizations. The Board held its initial meeting on July 21 and 22, 1991.

The Board has reviewed 29 applications from State soybean promotion entities pursuant to § 1220.228 of the Order. These Qualified State Soybean Boards are listed in § 1220.312 of these rules and regulations. The address of the Board and the addresses of the Qualified State Soybean Boards will be as published in a separate notice which will be updated from time to time as necessary. The addresses of Qualified State Soybean Boards may be obtained from the Board. First purchasers or producers responsible for remitting assessments in the 21 States which do not have Qualified State Soybean Boards are required by the Order to remit the assessments collected to the Board.

During its meeting on July 21-22, 1991, the Board recommended the adoption of rules and regulations to implement the collection of assessments pursuant to the Order.

The Board sought to clarify the collection of assessments in the

marketing situation involving deliveries on futures contracts. In these transactions there could be confusion as to the person responsible for remitting assessments. The Board has determined that the collection and remittance process would be most effective and efficient if the producer is responsible for remitting the assessment.

In addition, these rules and regulations further specify responsibilities relating to assessments for purchases on a contract basis and for soybeans purchased for seedstock. Section 1220.223(a)(2) of the Order specifies that "any producer marketing processed soybeans or soybean products of that person's own production shall remit to a Qualified State Soybean Board or to the Board an assessment on such soybeans or soybean products at a rate of one-half of one percent (0.5%) of the net market price of the soybeans involved or the equivalent thereof." The Order did not specify when this assessment obligation would be incurred. It was the intent of the Order that the assessment on such soybeans would be incurred at the time of sale of the processed soybeans or soybean products. The assessment on soybeans forfeited in lieu of repayment of a Commodity Credit Corporation loan shall attach at the time of loan settlement and billing of such assessments by Commodity Credit Corporation.

These regulations provide procedures for certification of non-producer status for subsequent sales of soybeans.

Producers may obtain refunds of assessments paid prior to the date the results of the continuance referendum as contemplated by the Act are announced. These rules and regulations contain procedures relating to this refund period. Also, a provision concerning the OMB control number is added to subpart B.

Pursuant to 5 U.S.C. 553 it is found and determined, upon good cause, that it is impractical, unnecessary and contrary to the public interest to give preliminary notice prior to putting the rule into effect and that good cause exists for not postponing the effective date of this action until 30 days after publication of this rule in the *Federal Register*. The Soybean Promotion and Research Order was published as a final rule in the July 9, 1991, issue of the *Federal Register* (56 FR 31043). The Order was made effective on July 9, 1991, except that § 1220.223 concerning assessments is effective on September 1, 1991. This action includes provisions: (1) Establishing a form of certification for exempt transactions; (2) detailing the collection and remittance process; (3) identifying the Qualified State Soybean

Boards; (4) providing refund procedures; and (5) establishing procedures for remitting assessment on forfeited soybeans which had been pledged as collateral on Commodity Credit Corporation loans. Therefore, the provisions made herein should be made effective on the same date as the assessment provisions of the Order.

#### List of Subjects in 7 CFR Part 1220

Administrative practice and procedure, Advertising, Agricultural research, Marketing agreements, Soybeans and soybean products, Reporting and recordkeeping requirements.

Title 7 of the CFR, part 1220 is amended as follows:

### PART 1220—SOYBEAN PROMOTION AND RESEARCH

1. The authority citation for part 1220 continues to read as follows:

Authority: Title XIX, Pub. L. No. 101-624, 104 Stat. 3359, 3881 (7 U.S.C. 6301-6311).

2. Subpart B is added to read as follows:

#### Subpart B—Rules and Regulations

##### Definitions

Sec.  
1220.301 Terms Defined.

##### Assessments

- 1220.310 Assessments.
- 1220.311 Collection and Remittance of Assessments.
- 1220.312 Remittance of Assessments and Submission of Reports to United Soybean Board or Qualified State Soybean Board.
- 1220.313 Qualified State Soybean Boards.
- 1220.314 Document Evidencing Payment of Assessments.
- 1220.315 Certification of Non-Producer Status for Certain Transactions.

##### Refund of Assessments

- 1220.330 Producer Refund of Assessments.
- 1220.331 Procedure for Obtaining a Refund.
- 1220.332 OMB Control Numbers.

#### Subpart B—Rules and Regulations

##### § 1220.301 Terms defined.

As used throughout this subpart, unless the context otherwise requires, terms shall have the same meaning as the definition of such terms as appears in subpart A of this part.

##### § 1220.310 Assessments.

(a) A 0.5 percent of the net market price per bushel assessment on soybeans marketed shall be paid by the producer of the soybeans in the manner designated in § 1220.311.

(b) If more than one producer shares the proceeds received for the soybeans

marketed, each such producer is obligated to pay that portion of the assessments which is equivalent to each producer's proportionate share of the proceeds.

(c) Failure of the first purchaser to collect the assessment on each bushel of soybeans marketed as designated in § 1220.311 shall not relieve the producer of the producer's obligation to pay the assessment to the appropriate Qualified State Soybean Board or the United Soybean Board as required in § 1220.312

##### § 1220.311 Collection and remittance of assessments.

(a) Except as otherwise provided in this section, each first purchaser making payment to a producer for soybeans marketed by a producer shall collect from that producer at the time of settlement of that producer's account an assessment at the rate of 0.5 percent of the net market price per bushel of soybeans marketed and shall be responsible for remitting the assessment to the Qualified State Soybean Board or the United Soybean Board as provided in § 1220.312. The first purchaser shall give to the producer a receipt indicating payment of the assessment.

(b) A first purchaser who purchases soybeans pursuant to a contract with a producer, either on a volume basis or on a per acre basis, shall be responsible for remitting the assessment due on soybeans purchased as required in § 1220.312. Such assessment shall be based upon 0.5 percent of the net market price specified in the contract and shall be collected from the producer at the time of final settlement.

(c) A first purchaser who purchases soybeans pursuant to a contract or otherwise, with the intent of utilizing such soybeans for seed stock shall be responsible for remitting the assessment due on such soybeans as required in § 1220.312. Such assessment shall be collected from the producer at the time of final settlement for such soybeans. The assessment on soybeans marketed for use as seed stock shall be based upon 0.5 percent of the posted county price for soybeans on the day of settlement as posted at the local ASCS office for the county in which the first purchaser is located.

(d) Any producer marketing processed soybeans or soybean products of that producer's own production either directly or through retail or wholesale outlets shall be responsible for remitting to the Qualified State Soybean Board or the United Soybean Board pursuant to § 1220.312, an assessment on the number of bushels of soybeans processed or manufactured into soybean products at

the rate 0.5 percent of the net market price of the soybeans involved or the equivalent thereof. The assessment shall attach upon date of sale of the processed soybeans or soybean products and shall be based upon the posted county price for soybeans on the date of the sale as posted at the local ASCS office for the county in which the producer is located. The producer shall remit the assessment in the manner provided in § 1220.312.

(e) Any producer contracting to market processed soybeans or soybean products of that producer's own production shall be responsible for remitting to the Qualified State Soybean Board or the United Soybean Board pursuant to § 1220.312, an assessment on the number of bushels of soybeans processed or manufactured into soybean products at the rate of 0.5 percent of the net market price of the soybeans involved or the equivalent thereof. The assessment shall attach upon the date of final settlement of the contract for such processed soybeans or soybean products and shall be based upon the posted county price for soybeans on the date of final settlement as posted at the local ASCS office for the county in which the producer is located. The producer shall remit the assessment in the manner provided in § 1220.312.

(f) A producer delivering soybeans of the producer's own production against a soybean futures contract shall be responsible for remitting an assessment at the rate of 0.5 percent of net market price as specified in settlement documents. The assessment shall attach at the time of delivery and the producer shall remit the assessment due in accordance with § 1220.312.

(g) A producer who forfeits soybeans of that producer's own production which were pledged as collateral on a loan issued by CCC shall remit an assessment at the rate of 0.5 percent of the net market price of such soybeans. The assessment shall attach upon the date of the settlement statement prepared and issued to the producer by the CCC and shall be based upon the principal amount of the loan for the soybeans as specified by CCC in the settlement statement. The Commodity Credit Corporation shall bill the producer for the assessments due. The producer shall remit the assessment due in accordance with § 1220.312.

**§ 1220.312 Remittance of assessments and submission of reports to United Soybean Board or Qualified State Soybean Board.**

(a) Each first purchaser and each producer responsible for the remittance of assessments shall remit assessments

and submit a report of assessments to the Qualified State Soybean Board in the State in which each first purchaser or each producer responsible for the remittance of assessments is located or if there is no Qualified State Soybean Board in such State, then to the United Soybean Board as follows:

(b) First purchasers and producers responsible for remitting assessments shall remit assessments and reports on a monthly or quarterly basis depending on the State or region in which the first purchasers or producers are located. The reporting period for each State and region shall be as follows:

<i>Monthly</i>	<i>Quarterly</i>
Arkansas	Alabama
Delaware	Florida
Iowa	Georgia
Kansas	Illinois
Kentucky	Indiana
Louisiana	Maryland
Michigan	North Dakota
Minnesota	Nebraska
Missouri	New Jersey
Mississippi	Ohio
North Carolina	Oklahoma
South Carolina	Pennsylvania
Tennessee	South Dakota
Texas	
Virginia	
Wisconsin	
Eastern Region	
Western Region	

(c) *Reports.* Each first purchaser or producer responsible for remitting assessments shall make reports on forms made available by the United Soybean Board or on Qualified State Soybean Board forms which contain the information required in § 1220.241 and are approved by the Board. A first purchaser with multiple facilities or purchasing locations within a State shall have the option to submit a single, consolidated report specifying the combined volume of soybeans purchased from the producers in the State. Reports shall be submitted with assessments due in accordance with the provisions of paragraph (d).

(d) *Remittances.* Each first purchaser or producer responsible for remitting assessments shall remit all assessments to the Qualified State Soybean Board, its designee, or the United Soybean Board. All assessments shall be remitted in the form of a check or money order payable to the order of the applicable Qualified State Soybean Board or the United Soybean Board and shall be sent to the designated address not later than the 15th day of the month following the month or quarter in which the soybeans, processed soybeans, or soybean products were marketed and shall be accompanied by the reports required by paragraph (c). All remittances shall be received subject to collection and payment at par.

(e) *Receipt of Reports and Remittances.* The timeliness of receipt

of reports and assessments by the Board or Qualified State Soybean Board shall be based on the applicable post mark date or the date actually received by the Board or the Qualified State Soybean Board whichever is earlier.

**§ 1220.313 Qualified State Soybean Boards.**

The following State Soybean promotion organizations shall be Qualified State Soybean Boards. First purchasers and producers responsible for remitting assessments located in States which have a Qualified State Soybean Board shall remit assessments accompanied by the required reports to the Qualified State Soybean Board in the State in which the first purchaser or producer responsible for remitting assessments is located.

Alabama Soybean Producers Board  
 Arkansas Soybean Promotion Board  
 Delaware Soybean Board  
 Florida Soybean Advisory Council  
 Georgia Agricultural Commodity Commission for Soybeans  
 Illinois Soybean Program Operating Board  
 Iowa Soybean Promotion Board  
 Indiana Soybean Development Council, Inc.  
 Kansas Soybean Commission  
 Kentucky Soybean Promotion Board  
 Louisiana Soybean Promotion Board  
 Maryland Soybean Board  
 Soybean Promotion Committee of Michigan  
 Minnesota Soybean Research and Promotion Council  
 Mississippi Soybean Promotion Board  
 Missouri Soybean Merchandising Council  
 Nebraska Soybean Development, Utilization, and Marketing Board  
 New Jersey Soybean Board  
 North Carolina Soybean Producers Association  
 North Dakota Soybean Council  
 Ohio Soybean Council Board of Trustees  
 Oklahoma Soybean Commission  
 Pennsylvania Soybean Board  
 South Carolina Soybean Board  
 South Dakota Soybean Research and Promotion Council  
 Tennessee Soybean Promotion Board  
 Texas Soybean Producers Board  
 Virginia Soybean Board  
 Wisconsin Soybean Marketing Board, Inc.

**§ 1220.314 Document evidencing payment of assessments.**

(a) Each first purchaser responsible for remitting an assessment to a Qualified State Soybean Board or the United Soybean Board, is required to give to the producer from whom the first purchaser collected an assessment written evidence of payment of the assessment containing the following information:

- (1) Name and address of the first purchaser.
- (2) Name of producer who paid assessment.



- (3) Number of bushels sold.
- (4) Net Market price.
- (5) Total assessments paid by the producer.
- (6) Date.
- (7) State in which soybeans were grown.
- (b) [Reserved].

**§ 1220.315 Certification of non-producer status for certain transactions.**

(a) A person marketing soybeans, processed soybeans, or soybean products on which an assessment has been collected may claim non-producer status and shall not be required to pay an assessment if such person certifies to the purchaser that the assessment has been collected and remitted or will be remitted in a timely fashion.

(b) Each person claiming non-producer status pursuant to this subpart shall provide purchasers with a Statement of Certification of Non-Producer Status on a form approved by the Board and the Secretary. A Statement of Certification of Non-Producer Status form shall be required for each transaction except that one such form, if approved by the Board, may be used to cover all transactions during a specified period not to exceed 12 consecutive months. The Board is authorized to approve a stamp process for providing such certification on invoices or other methods of such certification upon individual written requests. Forms and information on requirements for stamps and other methods of certification can be obtained from the Board.

(c) A copy of the Statement of Certification of Non-Producer Status shall be forwarded, upon request, by the subsequent purchasers to the Qualified State Soybean Board or the Board.

**§ 1220.330 Producer refund of assessments.**

*(a) Assessments Paid Prior to Continuance Referendum*

(1) Any producer from whom an assessment is collected prior to the date the continuance referendum results are announced and remitted to a Qualified State Soybean Board or the United Soybean Board, or who pays an assessment to a Qualified State Soybean Board or to the United Soybean Board, and who is not in favor of supporting the promotion and research program as provided for in this Part shall have the right to demand and receive from the Qualified State Soybean Board to which the assessment was paid subject to paragraph (a)(2) of this section, or the Board, a refund of such assessment upon submission of proof satisfactory to the Qualified State

Soybean Board or Board that the producer paid the assessment for which a refund is sought.

(2) Contributions by a producer to a Qualified State Soybean Board for which the producer has received credit pursuant to § 1220.223(a)(3) of this Part shall not be refunded by a Qualified State Soybean Board unless:

(i) The Qualified State Soybean Board is authorized or required to pay refunds; and

(ii) the producer has requested a refund from the Qualified State Soybean Board in compliance with the State's procedure for refunds.

(3) Producers shall submit refund requests to the Qualified State Soybean Board in the State in which the soybeans were grown. If there is not a Qualified State Soybean Board operating in such State, the producer shall submit refund requests to the United Soybean Board.

*(b) Assessments Paid After the Conduct of the Continuance Referendum*  
[Reserved].

**§ 1220.331 Procedure for obtaining a refund.**

(a) Any producer requesting a refund shall mail an application on the prescribed form to the Qualified State Soybean Board in the State in which the soybeans were grown or if there is no Qualified State Soybean Board in the State, to the Board within ninety days (90) from the date the assessments were due from such producer.

(b) In order to receive a refund pursuant to this subpart, a producer must attach to the refund application a copy of the document evidencing payment provided by the first purchaser to the producer as required by § 1220.314. Such refund request must be submitted pursuant to § 1220.224 and § 1220.225 of this part.

(c) In those States in which a Qualified State Soybean Board operates and is required to pay refunds pursuant to State law such refunds will be paid pursuant to such State law. In those States in which refunds are not required by State law, refund requests shall be paid by the Qualified State Soybean Board or the United Soybean Board within sixty days (60) of receipt of the refund request by the Qualified State Soybean Board or the United Soybean Board. Refunds shall be paid in a manner consistent with § 1220.224 of this part.

**§ 1220.332 OMB control numbers.**

The control number assigned to the information collection requirements by the Office of Management and Budget (OMB) pursuant to the Paperwork

Reduction Act of 1980, Public Law 96-511, is OMB number 0581-0093, except that OMB No. 0581-0001 was assigned to an information collection requirement in § 1220.525(a)(2).

Done at Washington, DC.

John E. Frydenlund,

*Acting Assistant Secretary, Marketing and Inspection Services.*

[FR Doc. 91-20935 Filed 8-29-91; 8:45 am]

BILLING CODE 3410-02-M

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Food and Drug Administration**

**21 CFR Parts 175, 176, 177, and 178**

[Docket Nos. 80N-0428 and 82N-0342]

**Colorants for Polymers**

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Final rule.

**SUMMARY:** The Food and Drug Administration (FDA) is amending its food additive regulations to list those food additives that may be safely used as colorants in polymers that contact food. The agency is responding to five food additive petitions and is transferring the listings of a number of other colorants from the regulations that provide for their use to a single regulation on colorants in polymers. FDA is also providing for additional uses of phthalocyanine green and quinacridone red, for the use of D&C Red No. 7 and its lakes, and for the use of additional shades of phthalocyanine blue in food-contact polymers.

**DATES:** Effective August 30, 1991; written objections and requests for a hearing by September 30, 1991.

**ADDRESSES:** Written objections to the Dockets Management Branch (HFA-305), Food and Drug Administration, room 4-62, 5600 Fishers Lane, Rockville, MD 20857.

**FOR FURTHER INFORMATION CONTACT:** Sandra L. Varner, Center for Food Safety and Applied Nutrition (HFF-335), Food and Drug Administration, 200 C St. SW., Washington, DC 20204, 202-472-5690.

**SUPPLEMENTARY INFORMATION:**

**I. History of Rulemaking**

FDA initiated a comprehensive rulemaking on colorants used in food-contact polymers with a proposal entitled "Colorants for Plastics," which it published in the *Federal Register* of June 6, 1972 (37 FR 11255). The 1972

proposal announced five food additive petitions that the agency received requesting issuance of food additive regulations for a number of colorants for use in polymers. These five petitions were submitted to FDA following expiration of the 1965 interim provisions providing for the use of various colorants (21 CFR 121.91 removed by 31 FR 8008, June 7, 1966).

On October 14, 1983, FDA issued a final rule (48 FR 46773) based on aspects of the June 6, 1972 proposal. In this final rule, the agency defined the term "colorant" as it pertains to food additives used in food-contact polymers. It also established a new section in the food additive regulations, § 178.3297 Colorants for polymers (21 CFR 178.3297), to provide a single regulation for the listing of all food additives that can be used as colorants in food-contact polymers. However, the agency did not respond to the five food additive petitions announced in the 1972 proposal. FDA stated that it would do so in a future issue of the *Federal Register*. However, the agency solicited comments on the October 14, 1983 final rule, because of the amount of time that had passed since the June 6, 1972 proposal.

In the *Federal Register* of April 6, 1988 (53 FR 11402), FDA issued a tentative final rule that responded to objections to the 1983 final rule, as well as to the five food additive petitions announced in the 1972 proposal. The agency proposed to list in § 178.3297 those food additives that were the subjects of the petitions and that had been shown to be safe for use as colorants for polymers that contact food. The agency also proposed to transfer to § 178.3297 the listings of all other colorants for food-contact polymers. As stated in the tentative final rule, regulations for the food additive use of colorants in polymers had been scattered throughout parts 175, 176, 177, and 178 (21 CFR parts 175, 176, 177, and 178).

FDA also requested data on the environmental impact of expanded use of certain colorants and on the use in food-contact polymers of the color additives and their lakes that are listed for use in ingested drug and cosmetics. The agency stated that it could not consider regulating these substances for use in polymers without the environmental data.

This final rule is intended to address the issues raised in these rulemakings.

## II. Comments on the April 6, 1988 Tentative Final Rule

The agency provided 60 days for comment on the tentative final rule. It received five requests from industry

representatives for an extension of the comment period, which it granted, extending the comment period to August 5, 1988, in a notice published in the *Federal Register* of June 3, 1988 (53 FR 20335).

FDA received 13 comments from industry and from the trade associations that represent the plastics industry and the carbon black industry. Seven of these comments supplied environmental data for new uses of colorants in polymers. These environmental comments and a comment on the economic impact of the proposed action are discussed in sections III and IV of this document. The other issues raised in the comments, and the agency's responses to them, are set forth below:

1. Comments from a chemical company and a trade association raised several arguments regarding whether colorants should be considered to be food additives. The comments contended that the information that FDA cited in the tentative final rule, Fick's Laws of Diffusion and data from a number of petitions, is insufficient to support the conclusion that colorants used in food-contact polymers may reasonably be expected to migrate to food in more than insignificant amounts.

The comments stated that this information does not meet the intent of the court decision in *Monsanto Co. v. Kennedy*, 613 F.2d 947, 955 (1979), that the determination that a substance migrates to food, and thus is a good additive, be based upon a "meaningful projection from reliable data." The comments argued that under *Monsanto Co. v. Kennedy*, a substance must migrate to food "in more than insignificant amounts" to be a food additive.

The trade association comment submitted three letters that had been issued by FDA in which the agency had concluded that a particular use of a colorant was "not a food additive situation" when used in a food-contact polymer. The comment asserted that these letters refute the statement in the tentative final rule that "colorants will migrate to food from all polymers," and that they make clear that FDA recognizes that Fick's Laws are not applicable at low concentrations.

The comments requested that FDA reverse its conclusion that colorants used in food-contact polymers are reasonably expected to migrate to food and conclude that they are not food additives based upon the agency's further consideration of these issues. The comments also asked the agency to acknowledge that companies may determine for themselves that colorants do not migrate to food at significant

levels and therefore are not food additives.

Although FDA believes that the tentative final rule fully addressed most of the issues raised by these comments, the agency recognizes that there is confusion about the circumstances in which it will require a food additive regulation and those that it considers to be "not a food additive situation." Therefore, the agency will clarify its position in response to these comments.

In the tentative final rule, published on April 6, 1988, the agency stated, "Existing theory and data produced by industry demonstrate that, under normal conditions of use, colorants will migrate to food from all polymers." The agency was saying in this statement that based on data on the use of colorants in polymers that it has reviewed (e.g., see food additive petitions OR2534, 7B4024, 7B4033, 8B4079, and 9B4158), FDA has concluded that a meaningful projection can be made that all colorants in polymers will migrate at some level to the foods with which the polymers come into contact. Thus, an appropriate factual basis does exist to find that all colorants used in polymers are food additives.

The agency has, however, issued letters in which it has stated that, given the specific circumstances presented, it would not require food additive petitions for particular colorants that were to be used in food-contact polymers. The agency statements in those letters were not intended to imply that the colorant did not meet the definition of a food additive. Rather, in issuing those letters, the agency was exercising its discretion, which the court cited in *Monsanto Co. v. Kennedy*, to make case-by-case determinations as to whether the level of migration in a particular situation is such as not to be of regulatory concern. The agency findings of "no objection" or "not a food additive situation" in those letters are not inconsistent with the position taken by the agency in this document that colorants are food additives. What the agency meant by those findings was that based on the data submitted, and under the specific conditions of use of the colorants described in those opinions, the agency could conclude that the colorants would migrate to food and thus meet the literal definition of food additives, but that the colorants would migrate at such low levels as to not be of regulatory concern as food additives.

Therefore, after considering the comments, the agency concludes that there is no factual basis upon which to alter its finding that, under normal conditions of use, colorants (1) have



been shown to migrate to food from polymers, (2) are food additives, and (3) are subject to section 409 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 348).

Finally, the agency cannot do as one comment would have it do and acknowledge that companies may determine for themselves that colorants do not migrate to food and thus are not food additives. In a footnote to *Monsanto Co. versus Kennedy*, 613 F.2d 947, 956 (1979), the court concluded that the limited authority to determine that a substance is not a food additive, even though it comes within the strict literal terms of the statutory definition of a food additive, " \* \* \* is an area of decision by its nature committed to the informed discretion of the Commissioner [of FDA]." Thus, only FDA has the authority to determine if specific uses of a food-contact colorant involve minimal migration and are not of regulatory concern.

2. One comment disagreed with the listing in the tentative final rule of chromium oxide green and zinc chromate as colorants. The comment stated that "these materials are considered to be carcinogenic with respect to the OSHA Hazard Communication Standard 1910.1200." The comment expressed concern that FDA should consider this fact, and that confusion will result between FDA and the Occupational Safety and Health Administration (OSHA) if FDA decides that these colorants are permitted for use in food-contact polymers.

FDA has reviewed OSHA's regulation that was mentioned in the comment, § 1910.1200 Hazard Communication (29 CFR 1910.1200), and has found no listings for chromium oxide green or zinc chromate as carcinogens. However, the agency has found in the Federal Register a proposed rule on air contaminants, dated June 7, 1988 (53 FR 20960), and a subsequent final rule on this subject, dated January 19, 1989 (54 FR 2332), in which OSHA discussed the potential carcinogenicity of chromic acid, chromates, and zinc chromates. OSHA concluded that further assessment of the available studies was needed to resolve the complex scientific issues regarding the carcinogenicity of the various forms of chromates.

FDA contacted OSHA concerning its final rule, and OSHA confirmed that this position is applicable to chromic acid, chromates, and zinc chromates and remains unchanged (Ref. 1). OSHA and FDA agreed, however, that the OSHA documents address only the potential carcinogenicity of chromium compounds from inhalation exposure. While the documents do not cite any evidence of

carcinogenicity of trivalent chromium compounds, such as chromium oxide green, they do state that zinc chromate, an insoluble form of hexavalent chromium, has been associated with lung cancer in human epidemiological studies of chromate ore workers. The documents establish a ceiling limit for the inhalation exposure of chromic acid and chromates of 0.1 milligram per cubic meter (measured as chromium oxide ( $\text{CrO}_3$ )).

FDA has concluded its own review of the available scientific literature on the toxicity and potential carcinogenicity of chromium and its compounds (Ref. 2). This review revealed that trivalent chromium is an essential trace element for human nutrition in amounts of 50 to 200 micrograms per day. The agency found no evidence in the available scientific studies that either trivalent chromium compounds, such as chromium oxide green, or elemental chromium are carcinogenic in humans or animals by repeated oral ingestion or by inhalation. In regard to hexavalent chromium compounds, especially those of low water solubility (i.e., zinc chromate), the agency found that human epidemiological studies do associate prolonged, repeated inhalation of relatively high concentrations of some of these compounds with the induction of cancer to the respiratory tract (Refs. 2 and 3). However, the agency finds that the carcinogenicity of these hexavalent chromium compounds by inhalation has no relevance to cancer resulting from oral exposure (Ref. 4). Furthermore, from a review of reports prepared by other government and international organizations (Environmental Protection Agency, National Academy of Sciences/National Research Council, Agency for Toxic Substances and Disease Registry, World Health Organization, and International Agency for Research on Cancer), the agency finds that available data on repeated oral ingestion of hexavalent chromium compounds by animals do not provide a basis on which to conclude that these substances are carcinogenic by ingestion (Ref. 2).

Based on the available scientific studies, FDA concludes that the data do not establish that chromium oxide green or zinc chromate are carcinogenic by oral exposure. Therefore, the agency is not modifying this final rule based upon the concerns expressed in this comment.

3. Three comments requested that the agency make clear that the listing of phthalocyanine blue (pigment blue 15, crystallizing  $\alpha$ -form)<sup>1</sup> as a colorant in

<sup>1</sup> Phthalocyanine blue has two crystalline forms or modifications, referred to as  $\alpha$  and  $\beta$ . These

the tentative final rule includes the use of pigment blue 15:1 (noncrystallizing  $\alpha$ -form), 15:2 (noncrystallizing, nonflocculating  $\alpha$ -form), 15:3 (noncrystallizing  $\beta$ -form), and 15:4 (noncrystallizing, nonflocculating  $\beta$ -form), which have the same Colour Index (C.I.) No. 74160. The comments submitted published information demonstrating that these pigment blue 15 colorants all have the same empirical formula ( $\text{C}_{32}\text{H}_{16}\text{N}_8\text{Cu}$ ), the same Chemical Abstracts Service Registry Number (CAS Reg. No.) 147-14-8, and the same structural formula, and that the variations in color are based only on the different crystalline and physical forms of the substance.

FDA has reviewed the information provided by these comments. Based on the evidence submitted, the agency finds that the various shades of pigment blue 15, resulting from the different crystalline and physical forms of this pigment, do have identical empirical and structural formulas and are identified by the same CAS Reg. No. Because the empirical and structural formulas are the same for pigment blue 15:1, 15:2, 15:3, and 15:4 and phthalocyanine blue, and because phthalocyanine blue is a regulated colorant<sup>2</sup> for which the agency has no toxicological concern, FDA concludes that all these colorants with the common C.I. No. 74160 and with CAS Reg. No. 147-14-8 are safe for use as colorants for food-contact polymers. Therefore, the agency has included the additional names of these colorants in § 178.3297.

4. Two comments raised issues regarding the use of furnace carbon black. One of these comments disagreed with the statement in the tentative final rule that FDA has not received any new information since 1972 to resolve its concerns over the presence of carcinogenic polycyclic aromatic hydrocarbons in furnace black. The comment stated that the agency has a food additive petition and a color additive petition that provide information demonstrating that the level of polycyclic aromatic hydrocarbons in

forms differ in the physical packing of the individual molecules within the crystal.

<sup>2</sup> Phthalocyanine blue is currently regulated for use in resinous and polymeric coatings under 21 CFR 175.300, in paper and paperboard for contact with aqueous and fatty foods under 21 CFR 176.170, in paper and paperboard for contact with dry food under 21 CFR 176.180, in ethylene-vinyl acetate copolymers under 21 CFR 177.1350, in melamine-formaldehyde resins for molded articles under 21 CFR 177.1460, in polyurethane resins under 21 CFR 177.1680, in resin-bonded filters under 21 CFR 177.2260, in rubber articles intended for repeated use under 21 CFR 177.2600, and in medical devices under 21 CFR 74.3045.

furnace black is not necessarily higher than the level in channel black. The comment urged FDA to develop specifications for acceptable levels of polycyclic aromatic hydrocarbons in both types of carbon black, rather than to continue to limit their use based upon their method of production. The second comment urged FDA to allow the use of furnace black in a manner that is consistent with the use permitted by the U.S. Department of Agriculture (USDA). The comment supplied a copy of an industry trade association bulletin, dated November 8, 1979, that states that USDA does not object to the use of furnace black as a component of printing inks when used, with certain restrictions, on the outer (nonfood-contact) surface of meat and poultry packaging materials.

FDA disagrees with the first comment. Although the agency has received two petitions (7C0208 and 6B3901) for furnace black materials, the materials that are the subjects of the petitions are high purity furnace blacks that the petitioners claim contain substantially lower levels of polycyclic aromatic hydrocarbon residues than unpurified furnace blacks. One of these petitions proposes the use of this black color additive in cosmetics, including eye area use. The other petition is requesting use of this black colorant in food packaging materials. FDA is currently reviewing these petitions and has not yet determined whether the data in the petitions are adequate to resolve the agency's safety concerns, expressed in the April 6, 1988 tentative final rule, about the presence of polycyclic aromatic hydrocarbons in high purity furnace black. If the agency finds that high purity furnace black is safe for the petitioned uses, it will establish specifications for the colorant, allowing the use of only those furnace blacks that are of high purity.

With respect to the second comment, the agency has often advised ink manufacturers and users that the components of inks are not expected to migrate to food when the inks are used on the exterior of food packages, and that the compounds would, therefore, not require FDA approval as food additives. Thus, FDA's position on the use of ink components, including furnace black, has been consistent with the USDA position on the use of furnace black in printing inks for the outer surface of meat and poultry packaging materials. However, the agency is now aware of data demonstrating that components of inks used on the exterior of food packages may migrate to food under certain circumstances (Ref. 5).

Furthermore, the agency has been apprised of the fact that consumers may at times invert printed packages such as bread bags and use them for further food storage. This direct contact of the printed surface with food increases the potential for migration of ink components. The agency intends to review the use of ink components on the exterior of food packages, their migration behavior, and its position on this issue in the future.

5. One comment requested that the list of colorants in the final rule include the color additives FD&C Red No. 3, FD&C Red No. 40, FD&C Yellow No. 5, and FD&C Yellow No. 6.

In the tentative final rule, although FDA did not specifically list these or other permanently listed color additives that are authorized for direct use in food in the list of colorants, it amended § 178.3297 by adding a new paragraph to state that color additives permanently listed for use in foods may also be used as colorants for food-contact polymers. The agency is retaining this authorization in the final rule. Therefore, FDA has not changed the final rule in response to this comment. (The provisional listing of FD&C Red No. 3 for use in cosmetics and externally applied drugs and all uses of the lakes of FD&C Red No. 3 was terminated on January 29, 1990, as announced in the *Federal Register* of February 1, 1990 (55 FR 3516). FDA is currently considering the withdrawal of the permanent listings of FD&C Red No. 3 in food and ingested drugs.)

### III. Environmental Impact and Comments on the Environmental Issues Raised by the April 6, 1988 Tentative Final Rule

In the tentative final rule, FDA requested environmental assessments from those persons interested in the expanded use of six identified colorants and in the use of color additives that are used in ingested drugs and cosmetics, and the lakes of these color additives, as colorants for polymers. In response to this request, four companies and a trade association submitted comments to the agency.

6. Four companies submitted individual abbreviated environmental assessments for the expanded uses of phthalocyanine green, quinacridone red, and cobalt aluminate and for the use of D&C Red No. 7 and its lakes as colorants in all food-contact polymers.

The agency has reviewed the information submitted for phthalocyanine green, quinacridone red, and D&C Red No. 7 and its lakes and finds that the data required for an abbreviated environmental assessment

were provided. This information provides an adequate basis on which to evaluate the environmental impact of the expanded use of phthalocyanine green and quinacridone red and the use of D&C Red No. 7 and its lakes as colorants in all polymers that contact food. FDA has considered the potential environmental effects of these actions and concludes that the actions will not have a significant impact on the human environment, and that environmental impact statements are not required. The agency's findings of no significant impact and the evidence supporting those findings, contained in the individual environmental assessments, may be seen in the Dockets Management Branch (address above) between 9 a.m. and 4 p.m., Monday through Friday.

FDA is, therefore, removing the limitations on the use of phthalocyanine green and quinacridone red that were included in the tentative final rule and is listing D&C Red No. 7 and its lakes for use as colorants in polymers in the colorants final rule.

The information for cobalt aluminate was submitted on December 13, 1990 and is under review by the agency. The agency has decided not to delay publication of this final rule to complete this review. When the data required for an abbreviated environmental assessment have been provided, FDA will evaluate the environmental impact of the expanded use of cobalt aluminate as a colorant in all polymers. If the agency concludes that this action will not have a significant impact on the human environment, and that an environmental impact statement is not required, it will remove the limitation on the use of cobalt aluminate as a colorant for polymers and will announce the action in a separate document in the *Federal Register*.

7. Another comment disagreed with the agency's statement that FDA does not have environmental data to assess the impact of the expanded use of chromium oxide green, cobalt aluminate, phthalocyanine green, quinacridone red, zinc carbonate, and zinc oxide. This comment stated that the agency should do a worst-case environmental assessment of the expanded use of these colorants based on the environmental data that provided the basis for their regulated uses.

An additional comment from a trade association stated that it has been informed that chromium oxide green, cobalt aluminate, phthalocyanine green, quinacridone red, zinc carbonate, and zinc oxide have been widely used as colorants by its members. This comment

asserted that these and other widely used colorants should, therefore, be exempted from the environmental data requirements requested in the tentative final rule.

FDA rejects these comments. As stated in the tentative final rule, the agency finds that it does not have any data to assess the worst-case environmental impact of the expanded use of the six colorants in food-contact polymers. FDA listed the limited uses of these six colorants before there was a need to conduct an environmental review under the National Environmental Policy Act (NEPA), and thus, no data were submitted on the environmental impact of the use of these substances when they were regulated as colorants in polymers. Therefore, the agency has no basis on which to conduct a worst-case assessment on the expanded use of these six colorants in food-contact polymers.

Although one comment suggested that these colorants are in wide use, uses beyond those allowed in the regulations are new uses. As stated in the tentative final rule, the agency cannot exempt new uses for colorants in polymers from environmental review, nor can it exempt uses of colorants that may have been used without FDA approval.

The agency is, therefore, denying the request made by these comments that it authorize the expanded use of chromium oxide green, cobalt aluminate, zinc carbonate, and zinc oxide as colorants in polymers without the environmental data requested in the tentative final rule. Further, except for D&C Red No. 7 and its lakes, the agency is not listing any color additives that are used in ingested drugs and cosmetics, or the lakes of any of these color additives, as colorants in polymers that contact food. No environmental assessments were submitted on the use of these color additives as colorants as requested in the tentative final rule, and the agency does not have data in its files to assess the environmental impact of the use of these additives as colorants for polymers.

#### IV. Economic Impact and Comments on the Economic Issues Raised in the April 6, 1988 Tentative Final Rule

In accordance with the Regulatory Flexibility Act, the agency considered the potential effects that this regulation would have on small entities, including small businesses. In accordance with section 605(b) of the Regulatory Flexibility Act, the agency determined that no significant economic impact on a substantial number of small entities would derive from this action. In

response to this action, the agency received one comment.

8. The comment asserted that there will be a significant economic impact on the industry if environmental impact assessments must be submitted for the expanded uses of the six colorants (phthalocyanine green, quinacridone red, chromium oxide green, cobalt aluminate, zinc carbonate, and zinc oxide) that had limited uses in the tentative final rule.

In considering the expanded uses of the six colorants listed in the tentative final rule, the agency is required by NEPA to determine the environmental impact of these new uses. The agency stated this fact in the tentative final rule and advised that it did not have the data needed to make this determination. FDA does not have the authority to exempt the expanded uses of the six colorants from the NEPA requirement for environmental analyses. Thus, as required by law, the six colorants must have environmental impact assessments before they can be approved for expanded uses. The requirements of NEPA do not, however, override the need for an economic impact analysis, and the agency has completed one for this final rule.

The agency has carefully reviewed and considered the potential economic effects of this final rule and, on the basis of the available evidence, concludes that no significant economic impact on a substantial number of small entities would derive from this action. The agency has received no information that would cause it to alter this determination. The agency's finding of no significant impact on a substantial number of small entities, and the evidence supporting this finding, are contained in the threshold assessment which may be seen in the Dockets Management Branch (address above).

#### V. Conclusions

Based on the comments and the environmental assessments that were received, FDA is providing for the use of the colorants that were the subjects of the 1972 petitions, for additional uses of phthalocyanine green and quinacridone red, for the use of D&C Red No. 7 and its lakes, and for the use of additional shades of phthalocyanine blue in food-contact polymers. The agency is also consolidating the listing of colorants for polymers by transferring a number of colorants from other regulations that provide for their use in food-contact polymers to a single regulation on colorants, 21 CFR 178.3297.

Further, FDA is modifying § 178.3297(c) to remove the offer of copies of the analytical methods and

extraction procedures, because the extraction limits that were in § 178.3297 (for chromium oxide green, phthalocyanine green, and quinacridone red) are being removed, as stated in comment six of the tentative final rule. Section 178.3297(c) is also amended to inform interested parties of the availability of extraction testing guidelines for colorants from FDA.

The agency is also including the following nonsubstantive editorial corrections in this final rule:

(1) 4,4'-Bis (4-anilino-6-methylethanolamine- $\alpha$ -triazin-2-ylamino)-2,2'-stilbene disulfonic acid, disodium salt, was listed as a colorant for textiles and textile fibers under former § 121.2535(d)(5)(ii). However, during the recodification of Title 21 in 1977, this substance was inadvertently omitted from new § 177.2800 textiles and textile fibers (21 CFR 177.2800) for this use. Therefore, FDA is correcting this omission by alphabetically adding this colorant to the list of substances under § 178.3297(e).

(2) Section 178.3550 *Kaolin-modified* (21 CFR 178.3550) is being removed, and the use of modified kaolin as a colorant in olefin polymers is being transferred to new § 178.3297(e). This transfer was inadvertently omitted in the tentative final rule.

(3) Phthalocyanine blue is being removed from § 177.2260(d)(5) (21 CFR 177.2260(d)(5)). This deletion was not made clear in the tentative final rule. This colorant is listed in § 178.3297 without limitations. In § 177.2260, paragraph (d)(5) is also being amended to make clear that all applicable colorants listed in § 178.3297 may be used in resin-bonded filters.

(4) In § 177.2250 *Filters, microporous polymeric* (21 CFR 177.2250), paragraph (d) is being revised in this final rule to make clear that colorants in § 178.3297 may be used to color microporous polymeric filters. This change was inadvertently omitted in the tentative final rule.

(5) In the listing for ultramarines in § 178.3297, specific reference in the tentative final rule to the various shades of this colorant has been dropped from the "Substances" column in this final rule because these shades are included in the "Limitations" column under the § 73.2725 cross-reference.

(6) The format for listed colorants in § 176.170 that was previously adopted in the tentative final rule is being changed. In this final rule, these colorants are listed together in § 176.170 under a heading entitled "Colorants". This format is preferred because it will allow for ready recognition of colorants used

as components of paper and paperboard in contact with aqueous and fatty food.

In accordance with § 171.1(h) (21 CFR 171.1(h)), the petition and the documents that FDA considered and relied upon in reaching its decision to approve the petition are available for inspection at the Center for Food Safety and Applied Nutrition by appointment with the information contact person listed above. As provided in 21 CFR 171.1(h), the agency will delete from the documents any materials that are not available for public disclosure before making the documents available for inspection.

## VI. Objections

Any person who will be adversely affected by this regulation may at any time on or before September 30, 1991 file with the Dockets Management Branch (address above) written objections thereto. Each objection shall be separately numbered, and each numbered objection shall specify with particularity the provisions of the regulation to which objection is made and the grounds for the objection. Each numbered objection on which a hearing is requested shall specifically so state. Failure to request a hearing for any particular objection shall constitute a waiver of the right to a hearing on that objection. Each numbered objection for which a hearing is requested shall include a detailed description and analysis of the specific factual information intended to be presented in support of the objection in the event that a hearing is held. Failure to include such a description and analysis for any particular objection shall constitute a waiver of the right to a hearing on the objection. Three copies of all documents shall be submitted and shall be identified with the docket number found in brackets in the heading of this document. Any objections received in response to the regulation may be seen in the Dockets Management Branch between 9 a.m. and 4 p.m., Monday through Friday.

## VII. References

The following references have been placed on display in the Dockets Management Branch (address above) and may be seen by interested persons between 9 a.m. and 4 p.m., Monday through Friday.

1. Memorandum of Telephone Conversations on April 12, 1990, between Sandra L. Varner, FDA, and Susan Flemming, OSHA, and Ed Stein, OSHA, "Chromium oxide green and zinc chromate (FAP's 6R1862, 8R2288, 0R2512, 0R2534, 1R2641)."

2. Memorandum dated July 22, 1988, from the Standards and Monitoring Branch to the

Contaminants Group, "General toxicology of chromium and its compounds."

3. Environmental Protection Agency, "Health Assessment Document for Chromium Final Report," EPA-600/8-83-014F, Research Triangle Park, NC, August, 1984.

4. Environmental Protection Agency, "Chromium Health Advisory," Office of Drinking Water, Washington, DC, March 31, 1987.

5. Castle, L., A. Mayo, and J. Gilbert, "Migration of Plasticizers from Printing Inks Into Foods," Food Additives and Contaminants, 6:437-443, 1989.

## List of Subjects

### 21 CFR Part 175

Adhesives, Food additives, Food packaging.

### Part 176

Food additives, Food packaging.

### Part 177

Food additives, Food packaging.

### Part 178

Food additives, Food packaging.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs, 21 CFR parts 175, 176, 177, and 178 are amended as follows:

## PART 175—INDIRECT FOOD ADDITIVES: ADHESIVES AND COMPONENTS OF COATINGS

1. The authority citation for 21 CFR part 175 continues to read as follows:

Authority: Secs. 201, 402, 409, 706 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321, 342, 348, 376).

2. Section 175.300 is amended by revising paragraph (b)(3)(xxvi) to read as follows:

### § 175.300 Resinous and polymeric coatings.

(b) \* \* \*

(3) \* \* \*

(xxvi) Colorants used in accordance with § 178.3297 of this chapter.

## PART 176—INDIRECT FOOD ADDITIVES: PAPER AND PAPERBOARD COMPONENTS

3. The authority citation for 21 CFR part 176 continues to read as follows:

Authority: Secs. 201, 402, 406, 409, 706 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321, 342, 346, 348, 376).

4. Section 176.170 is amended in paragraph (b)(1) by adding "(xxvi)" after "(xx)" and in paragraph (b)(2) by adding a new heading entitled "Colorants:" and

27 new entries to the end of the existing table under the headings "List of substances" and "Limitations" to read as follows:

### § 176.170 Components of paper and paperboard in contact with aqueous and fatty foods.

List of substances	Limitations
Colorants:	
Aluminum .....	For use as a colorant only.
Aluminum hydrate .....	Do.
Aluminum and potassium silicate (mica) .....	Do.
Aluminum mono-, di-, and tri-stearate .....	Do.
Aluminum silicate (China clay) .....	Do.
Barium sulfate .....	Do.
Bentonite .....	Do.
Bentonite, modified with dimethyldioctadecylammonium ion .....	Do.
Burnt umber .....	Do.
Calcium carbonate .....	Do.
Calcium silicate .....	Do.
Calcium sulfate .....	Do.
Carbon black (channel process) .....	Do.
Cobalt aluminate .....	Do.
Diatomaceous earth .....	Do.
Iron oxides .....	Do.
Magnesium oxide .....	Do.
Magnesium silicate (talco) .....	Do.
Phthalocyanine blue (C.I. pigment blue 15, 15:1, 15:2, 15:3, and 15:4; C.I. No. 74160; CAS Reg. No. 147-14-8) .....	Do.
Raw sienna .....	Do.
Silica .....	Do.
Tartrazine lake (certified FD&C Yellow No. 5 only) .....	Do.
Titanium dioxide .....	Do.
Titanium dioxide-barium sulfate .....	Do.
Titanium dioxide-magnesium silicate .....	Do.
Zinc carbonate .....	Do.
Zinc oxide .....	Do.

## PART 177—INDIRECT FOOD ADDITIVES: POLYMERS

5. The authority citation for 21 CFR part 177 continues to read as follows:

Authority: Secs. 201, 402, 409, 706 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321, 342, 348, 376).

6. Section 177.1350 is amended by revising paragraph (a)(3) to read as follows:

### § 177.1350 Ethylene-vinyl acetate copolymers.

(a) \* \* \*

(3) Substances identified in § 175.300(b)(3) (xxv), (xxvii), (xxx), and (xxxiii) of this chapter, and colorants

used in accordance with § 178.3297 of this chapter.

7. Section 177.1460 is amended in the table in paragraph (b) by removing the entry "Pigments and colorants identified in \* \* \*" and by alphabetically adding a new entry under the heading "List of substances" to read as follows:

**§ 177.1460 Melamine-formaldehyde resins in molded articles.**

(b) \* \* \*

List of substances	Limitations
--------------------	-------------

Colorants used in accordance with § 178.3297 of this chapter.

8. Section 177.1520 is amended in the table in paragraph (b) by removing the entry "7-(2*H*-Naphtho[1,2-*d*]triazol-2-yl)-3-phenylcoumarin \* \* \*" and by alphabetically adding a new entry under the heading "Substance" to read as follows:

**§ 177.1520 Olefin polymers.**

(b) \* \* \*

Substance	Limitations
-----------	-------------

Colorants used in accordance with § 178.3297 of this chapter.

9. Section 177.1680 is amended in the table in paragraph (b) by removing the entries "Phthalocyanine blue (C.I. pigment blue 15, C.I. No. 74160)" and "Ultramarine blue" and by alphabetically adding a new entry under the heading "List of substances" to read as follows:

**§ 177.1680 Polyurethane resins.**

(b) \* \* \*

List of substances	Limitations
--------------------	-------------

Colorants used in accordance with § 178.3297 of this chapter.

10. Section 177.2250 is amended by revising paragraph (d) to read as follows:

**§ 177.2250 Filters, microporous polymeric.**

(d) The microporous polymeric filters may be colored with colorants used in accordance with § 178.3297 of this chapter.

11. Section 177.2260 is amended by revising paragraph (d)(5) to read as follows:

**§ 177.2260 Filters, resin-bonded.**

(d) \* \* \*

(5) *Colorants*: Colorants used in accordance with § 178.3297 of this chapter.

12. Section 177.2600 is amended by revising paragraph (c)(4)(vi) to read as follows:

**§ 177.2600 Rubber articles intended for repeated use.**

(c) \* \* \*

(4) \* \* \*

(vi) *Colorants*. Colorants used in accordance with § 178.3297 of this chapter.

13. Section 177.2800 is amended in the table in paragraph (d)(5) under "(ii) Adjuvant substances" by removing entries "4,4'-Bis(4-anilino-6-diethanolamine- $\alpha$ -triazin-2-ylamino)-2,2'-stilbene-disulfonic acid, disodium salt." and "7-(2*H*-naphtho[1,2-*d*]triazol-2-yl)-3-phenylcoumarin \* \* \*" and by alphabetically adding a new entry under "(ii) Adjuvant substances" to read as follows:

**§ 177.2800 Textiles and textile fibers.**

\* \* \*

(d) \* \* \*

(5) \* \* \*

List of substances	Limitations
--------------------	-------------

(ii) \* \* \*

Colorants used in accordance with § 178.3297 of this chapter.

**PART 178—INDIRECT FOOD ADDITIVES: ADJUVANTS, PRODUCTION AIDS, AND SANITIZERS**

14. The authority citation for 21 CFR part 178 continues to read as follows:

**Authority:** Secs. 201, 402, 409, 706 of the Federal Food, Drugs, and Cosmetic Act (21 U.S.C. 321, 342, 348, 376).

15. Section 178.3297 is amended by revising paragraph (c), by adding new paragraph (d), and by alphabetically adding new entries to the table in paragraph (e) to read as follows:

**§ 178.3297 Colorants for polymers.**

(c) Colorants in this section must conform to the description and specifications indicated. If a polymer described in this section is itself the subject of a regulation promulgated under section 409 of the Federal Food, Drug, and Cosmetic Act, it shall also comply with any specifications and limitations prescribed by that regulation. Extraction testing guidelines to conduct studies for additional uses of colorants under this section are available from the Food and Drug Administration free of charge from the Center for Food Safety and Applied Nutrition, Division of Food and Color Additives (HFF-335), Food and Drug Administration, 200 C St. SW., Washington, DC 20204.

(d) Color additives and their lakes permanently listed for direct use in foods, under the provisions of the color additive regulations in parts 73 and 74 of this chapter, may also be used as colorants for food-contact polymers.

(e) \* \* \*

**Substances**

**Limitations**

Aluminum  
Aluminum hydrate  
Aluminum and potassium silicate (mica)  
Aluminum mono-, di-, and tristearate  
Aluminum silicate (China clay)  
Barium sulfate  
Bentonite

Bentonite, modified with 3-dimethyldioctadecylammonium ion

4,4'-Bis(4-anilino-6-diethanolamine- $\alpha$ -triazin-2-ylamino)-2,2'-stilbene disulfonic acid, For use only in the textile fibers specified in § 177.2800 of this chapter. disodium salt.

Substances	Limitations
4,4'-Bis(4-anilino-6-methylethanolamine- $\alpha$ -triazin-2-ylamino)-2,2'-stilbene disulfonic acid, disodium salt.	Do.
Burnt umber	
Calcium carbonate	
Calcium silicate	
Calcium sulfate	
Carbon black (channel process, prepared by the impingement process from stripped natural gas)	
Chromium oxide green, Cr <sub>2</sub> O <sub>3</sub> (C.I. pigment green 17, C.I. No. 77288)	For use only in olefin polymers complying with § 177.1520 of this chapter.
Cobalt aluminate	For use only:
	1. In resinous and polymeric coatings complying with § 175.300 of this chapter.
	2. Melamine-formaldehyde resins in molded articles complying with § 177.1460 of this chapter.
	3. Xylene-formaldehyde resins condensed with 4-4'-isopropylidenediphenol-epichlorohydrin epoxy resins complying with § 175.380 of this chapter.
	4. Ethylene-vinyl acetate copolymers complying with § 177.1350 of this chapter.
	5. Urea-formaldehyde resins in molded articles complying with § 177.1900 of this chapter.
D&C Red No. 7 and its lakes	
Diatomaceous earth	
Iron oxides	
Kaolin-modified, produced by treating kaolin with a reaction product of isopropyl titanate and oleic acid in which 1 mole of isopropyl titanate is reacted with 1 to 2 moles of oleic acid. The reaction product will not exceed 8 percent of the modified kaolin. The oleic acid used shall meet the requirements specified in § 172.860 of this chapter.	For use only in olefin polymers complying with § 177.1520 of this chapter at levels not to exceed 40 percent by weight of olefin polymer.
Magnesium oxide	
Magnesium silicate (italic)	
7-(2H-Naphtho[1,2-d]triazol-2-yl)-2-phenylcoumarin (CAS Reg. No. 3333-62-8) having a melting point of 250 °C to 251 °C and a nitrogen content of 10.7 to 11.2 percent.	For use as an optical brightener only in:
	1. Olefin polymers complying with § 177.1520 of this chapter only at levels such that the product of concentration of the optical brightener (expressed in parts per million by weight of the olefin polymer) multiplied by the thickness of the olefin polymer (expressed in thousandths of an inch and limited to no more than 0.400 inch) shall not exceed 500; provided that the level of the brightener shall not exceed 20 parts per million by weight of the olefin polymer, and further that the olefin polymers shall comply with specifications for items 1.1, 2.1, 3.1, 3.3, and 4 of § 177.1520(c) of this chapter. The polymer may be used under the conditions described in § 176.170(c) of this chapter, Table 2, under conditions of use E, F, and G.
	2. Polyethylene terephthalate specified in § 177.2800(d)(5)(i) of this chapter at a level not to exceed 0.035 percent by weight of the finished fibers.
Phthalocyanine blue (C.I. pigment blue 15, 15:1, 15:2, 15:3, and 15:4; C.I. No. 74160; CAS Reg. No. 147-14-8)	
Phthalocyanine green (C.I. pigment green 7, C.I. No. 74260)	
C.I. Pigment red 38 (C.I. No. 21120)	For use only in rubber articles for repeated use complying with § 177.2600 of this chapter; total use is not to exceed 10 percent by weight of rubber article.
Quinacridone red (C.I. Pigment violet 19, C.I. No. 73900)	
Sienna (raw and burnt)	
Silica	
Tartrazine lake (certified FD&C Yellow No. 5 only)	For use only as a component of resinous and polymeric coatings complying with § 175.300 of this chapter.
Titanium dioxide	
Titanium dioxide-barium sulfate	
Titanium dioxide-magnesium silicate	
Ultramarines	As identified in § 73.2725 of this chapter.
Zinc carbonate	For use only:
	1. In resinous and polymeric coatings complying with § 175.300 of this chapter.
	2. Melamine-formaldehyde resins in molded articles complying with § 177.1460 of this chapter.
	3. Xylene-formaldehyde resins condensed with 4-4'-isopropylidene diphenol-epichlorohydrin epoxy resins complying with § 175.380 of this chapter.
	4. Ethylene-vinyl acetate copolymers complying with § 177.1350 of this chapter.
	5. Urea-formaldehyde resins in molded articles complying with § 177.1900 of this chapter.
Zinc chromate	For use only in rubber articles for repeated use complying with § 177.2600 of this chapter; total use is not to exceed 10 percent by weight of rubber articles.
Zinc oxide	For use only:
	1. In resinous and polymeric coatings complying with § 175.300 of this chapter.
	2. Melamine-formaldehyde resins in molded articles complying with § 177.2460 of this chapter.
	3. Xylene-formaldehyde resins condensed with 4-4'-isopropylidene-diphenol-epichlorohydrin epoxy resins complying with § 175.380 of this chapter.
	4. Ethylene-vinyl acetate copolymers complying with § 177.1350 of this chapter.
	5. Urea-formaldehyde resins in molded articles complying with § 177.1900 of this chapter.

**§§ 178.3550 and 178.3970 [Removed]**

16. Section 178.3550 Kaolin-modified and § 178.3970 Ultramarine blue are removed from subpart D.

Dated: August 22, 1991.

Michael R. Taylor,

*Deputy Commissioner for Policy.*

[FR Doc. 91-20836 Filed 8-29-91; 8:45 am]

BILLING CODE 4160-01-M

**DEPARTMENT OF JUSTICE****Drug Enforcement Administration****21 CFR Part 1308****Schedules of Controlled Substances: Procedures for Removing Certain Anabolic Steroid Products From All or Part of the Controlled Substances Act**

**AGENCY:** Drug Enforcement Administration (DEA), Department of Justice.

**ACTION:** Final rule.

**SUMMARY:** This rule describes administrative procedures for removing regulatory control from the manufacture, distribution, and possession of specific products which contain anabolic steroids. The affected products are those which are approved for implantation into animals or those which have no significant potential for abuse. These procedures implement two provisions of the Anabolic Steroids Control Act of 1990 which placed the anabolic steroids into Schedule III of the Controlled Substances Act.

**EFFECTIVE DATE:** September 30, 1991.

**FOR FURTHER INFORMATION CONTACT:** Howard McClain, Jr., Chief, Drug and Chemical Evaluation Section; Drug Enforcement Administration, Washington, DC 20537, Telephone: (202) 307-7183.

**SUPPLEMENTARY INFORMATION:** Enactment of the Anabolic Steroids Control Act of 1990 (ASCA) (title XIX of Pub. L. 101-647) resulted in the addition of the anabolic steroids to Schedule III of the Controlled Substances Act (CSA) (21 U.S.C. 801 et seq.) on February 27, 1991. (See 56 FR 5753, February 13, 1991). The ASCA provides regulatory controls and significant penalties for the illegal possession and distribution of anabolic steroids. The ASCA also provides relief from certain regulatory aspects of Schedule III for products which do not contribute to the drug abuse problem. The products which are afforded special treatment under the CSA are those which are expressly intended for administration through implants to cattle or other nonhuman species and

are approved for such use by the Secretary of Health and Human Services and other products which, because of their concentration, preparation, mixture, or delivery system, have no significant potential for abuse. The Administrator of the Drug Enforcement Administration (DEA) proposed procedures by which these products would be identified (56 FR 10845, March 14, 1991). Three parties submitted comments or objections and the sponsors of two products submitted applications in accordance with the proposed regulations. This notice responds to the comments and issues the regulations implementing sections 1902(b) and 1903(a) of the ASCA.

One individual commented on the definition of the term "anabolic steroid." Because the definition is the same as that which is contained in the ASCA and because the definition was published in a notice (56 FR 5753, February 13, 1991) other than the one which proposed the procedures for exempting products from certain regulatory controls, the merits of the comment will not be responded to in this notice.

The Director, Office of Orphan Products Development, Food and Drug Administration, expressed concern that the proposed regulations did not address section 1903(b) of the ASCA. Section 1903(b) deals with drugs for treatment of rare diseases and outlines the provisions which allow the Attorney General to exempt such a drug from any production regulations otherwise issued under the CSA. Review of the legislative history of the ASCA reveals that the language of section 1903(b) is identical to that proposed in a Senate bill which was entitled The Steroid Trafficking Act of 1990. That bill, which was incorporated, in part, into the Anabolic Steroid Control Act of 1990, proposed the placement of anabolic steroids into Schedule II of the CSA. The CSA mandates that production limits be established on the manufacture of Schedule I and II substances. The law which was enacted, the Anabolic Steroids Control Act of 1990 (Title of XIX of Pub. L. 101-647), placed the anabolic steroids in Schedule III of the CSA. Schedule III does not provide for the establishment of production quotas. There is no need to promulgate regulations through which anabolic steroids might be exempted from production regulations which do not apply. Products for treatment of rare diseases will be treated like other products under section 1903(a) of the ASCA.

The Animal Health Institute, the national trade association representing

the manufacturers of animal health products, objected to the adoption of proposed §§ 1308.25 and 1308.26 on the grounds that (a) they are not authorized by the ASCA and (b) they are unnecessary in light of existing regulations in 21 CFR part 522. The position of the DEA is that the proposed sections are in keeping with the ASCA and they are warranted. The language of the ASCA is such that the lawful marketing of anabolic steroid products for implantation into cattle and other nonhuman species is not to be affected by the CSA. It is for that express purpose that the products must be identified to the DEA. Currently, there is no mechanism by which the DEA can identify these products with sufficient particulars to permit implementation of the ASCA. Compliance with 21 CFR part 522, regulations issued by the Food and Drug Administration, does not meet the needs of the DEA. The regulations implementing the ASCA serve to identify those products to which the CSA will not apply unless the products are prescribed, dispensed, or distributed for human use.

In regard to those products which are excluded from the CSA, the ASCA describes them as having been approved by the Secretary for Health and Human Services rather than in the language used in the notice of proposed rulemaking. The issued regulations reflect conformance with the language of the ASCA. Also, the notice of proposed rulemaking did not specify that applications are to be submitted in triplicate. Because the issued regulations do not differ from those which were proposed, except to specify that three copies of an application be submitted, the applications which were submitted in response to the issuance of the notice of proposed rulemaking will be acted on.

The Administrator of the DEA hereby certifies that this rule will have no significant impact upon small businesses or other entities whose interests must be considered under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.).

This rule is not a major rule for purposes of Executive Order (E.O.) 12291 (46 FR 13193, February 17, 1981). Pursuant to sections 3(c)(3) and 3(e) (2) (C) of E.O. 12291, this rule has been submitted for review to the Office of Management and the Budget.

This action has been analyzed in accordance with the principles and criteria contained in E.O. 12612 and it has been determined that this matter does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.



**List of Subjects in 21 CFR Part 1308**

Administrative practice and procedure, Drug traffic control, Narcotics, Prescription drugs.

Under the authority vested in the Attorney General by Title XIX of Public Law 101-647 and delegated to the Administrator of the DEA by Department of Justice Regulations (28 CFR 0.100), the Administrator hereby orders that part 1308, chapter II, title 21, Code of Federal Regulations be amended as follows:

**PART 1308—[AMENDED]**

1. The authority citation for 21 CFR part 1308 continues to read as follows:

**Authority:** 21 U.S.C. 811, 812, 871(b) unless otherwise noted.

2. An undesignated center heading, § 1308.25, and § 1308.26 are added to read as follows:

**Excluded Veterinary Anabolic Steroid Implant Products****§ 1308.25 Exclusion of a veterinary anabolic steroid implant product; application.**

(a) Any person seeking to have any anabolic steroid product, which is expressly intended for administration through implants to cattle or other nonhuman species and which has been approved by the Secretary of Health and Human Services for such administration, identified as being excluded from any schedule, pursuant to section 102(41)(B)(i) of the Act (21 U.S.C. 802(41)(B)(i)), may apply to the Administrator, Drug Enforcement Administration, Department of Justice, Washington, DC 20537.

(b) An application for any exclusion under this section shall be submitted in

triplicate and contain the following information:

(1) The name and address of the applicant;

(2) The name of the product;

(3) The chemical structural formula or description for any anabolic steroid contained in the product;

(4) A complete description of dosage and quantitative composition of the dosage form;

(5) The conditions of use including whether or not Federal law restricts this product to use by or on the order of a licensed veterinarian;

(6) A description of the delivery system in which the dosage form will be distributed with sufficient detail to identify the product (e.g. 20 cartridge brown plastic belt);

(7) The label and labeling of the immediate container and the commercial containers, if any, of the product;

(8) The name and address of the manufacturer of the dosage form if different from that of the applicant; and

(9) Evidence that the product has been approved by the Secretary of Health and Human Services for administration through implant to cattle or other nonhuman species.

(c) Within a reasonable period of time after the receipt of an application for an exclusion under this section, the Administrator shall notify the applicant of his acceptance or nonacceptance of the application, and if not accepted, the reason therefore. The Administrator need not accept an application for filing if any of the requirements prescribed in paragraph (b) of this section is lacking or is not set forth as to be readily understood. The applicant may amend the application to meet the requirements of paragraph (b) of this section. If the

application is accepted for filing, the Administrator shall issue and have published in the **Federal Register** his order on the application, which shall include a reference to the legal authority under which the order is issued and the findings of fact and conclusions of law upon which the order is based. This order shall specify the date on which it will take effect. The Administrator shall permit any interested person to file written comments on or objections to the order within 60 days of the date of publication in the **Federal Register**. If any such comments or objections raise significant issues regarding any finding of fact or conclusion of law upon which the order is based, the Administrator shall immediately suspend the effectiveness of the order until he may reconsider the application in light of the comments and objections filed. Thereafter, the Administrator shall reinstate, revoke, or amend his original order as he determines appropriate.

(d) The Administrator may at any time revoke or modify any designation of excluded status granted pursuant to this section by following the procedures set forth in paragraph (c) of this section for handling an application for an exclusion which has been accepted for filing.

**§ 1308.26 Excluded veterinary anabolic steroid implant products.**

(a) The following anabolic steroid-containing products which are expressly intended for administration through implants to cattle or other nonhuman species and which as been approved by the Secretary of Health and Human Services for such administration are excluded from all schedules pursuant to section 102(41)(B)(i) of the Act (21 U.S.C. 802(41)(B)(i):

**TABLE OF EXCLUDED VETERINARY ANABOLIC STEROID IMPLANT PRODUCTS**

Trade name	Company	NDC code	Delivery system	Ingredients	Quantity
[Reserved]					

(b) In accordance with section 102(41)(B)(ii) of the Act (21 U.S.C. 802(41)(B)(ii)) if any person prescribes, dispenses, or distributes a product listed in paragraph (a) of this section for human use, such person shall be considered to have prescribed, dispensed, or distributed an anabolic steroid within the meaning of section 102(41)(A) of the Act (21 U.S.C. 802(41)(A)).

3. An undesignated center heading, § 1308.33, and § 1308.34 are added to read as follows:

**Exempt Anabolic Steroid Products****§ 1308.33 Exemption of certain anabolic steroid products; application.**

(a) The Administrator, upon the recommendation of the Secretary of Health and Human Services, may, by regulation, exempt from the application of all or any part of the Act any compound, mixture, or preparation containing an anabolic steroid as defined in § 1308.02 if, because of its concentration, preparation, mixture or delivery system, it has no significant

potential for abuse (Pub. L. 101-647 section 1903(a)).

(b) Any person seeking to have any compound, mixture, or preparation containing an anabolic steroid as defined in § 1308.02 exempted from the application of all or any part of the Act, pursuant to paragraph (a) of this section, may apply to the Administrator, Drug Enforcement Administration, Department of Justice, Washington, DC 20537.



(c) An application for an exemption under this section shall be submitted in triplicate and contain the following information:

- (1) The name and address of the applicant;
- (2) The name of the product;
- (3) The chemical structural formula or description for any anabolic steroid contained in the product;
- (4) The complete description of dosage and quantitative composition of the dosage form;
- (5) A description of the delivery system, if applicable;
- (6) The indications and conditions for use in which species, including whether or not this product is a prescription drug;
- (7) Information to facilitate identification of the dosage form, such as shape, color, coating, and scoring;
- (8) The label and labeling of the immediate container and the commercial containers, if any, of the product;
- (9) The units in which the dosage form is ordinarily available; and
- (10) The facts which the applicant believes justify:
  - (a) A determination that the product has no significant potential for abuse and
  - (b) a granting of an exemption under this section.
- (d) Within a reasonable period of time after the receipt of the application for an

exemption under this section, the Administrator shall notify the applicant of his acceptance or nonacceptance of the application, and if not accepted, the reason therefor. The Administrator need not accept an application for filing if any of the requirements prescribed in paragraph (c) of this section is lacking or is not set forth so as to be readily understood. The applicant may amend the application to meet the requirements of paragraph (c) of this section. If accepted for filing, the Administrator will request from the Secretary for Health and Human Services his recommendation, as to whether such product which contains an anabolic steroid should be considered for exemption from certain portions of the Controlled Substances Act. On receipt of the recommendation of the Secretary, the Administrator shall make a determination as to whether the evidence submitted or otherwise available sufficiently establishes that the product possesses no significant potential for abuse. The Administrator shall issue and publish in the *Federal Register* his order on the application, which shall include a reference to the legal authority under which the order is issued, and the findings of fact and conclusions of law upon which the order is based. This order shall specify the date on which it will take effect. The Administrator shall permit any

interested person to file written comments on or objections to the order within 60 days of the date of publication of his order in the *Federal Register*. If any such comments or objections raise significant issues regarding any finding of fact or conclusion of law upon which the order is based, the Administrator shall immediately suspend the effectiveness of the order until he may reconsider the application in light of the comments and objections filed. Thereafter, the Administrator shall reinstate, revoke, or amend his original order as he determines appropriate.

(e) The Administrator may revoke any exemption granted pursuant to section 1903(a) of Public Law 101-647 by following the procedures set forth in paragraph (d) of this section for handling an application for an exemption which has been accepted for filing.

#### § 1308.34 Exempt anabolic steroid products

The following anabolic steroid containing compounds, mixtures, or preparations have been exempted by the Administrator from application of sections 302 through 309 and 1002 through 1004 of the Act (21 U.S.C. 822-829 and 952-954) and §§ 1301.24, 1301.31, 1301.32, and 1301.71 through 1301.76 of this chapter for administrative purposes only:

TABLE OF EXEMPT ANABOLIC STEROID PRODUCTS

Trade name	Company	NDC code	Dosage form	Ingredients	Quantity
[Reserved]					

Dated: July 22, 1991.  
 Robert C. Bonner,  
*Administrator, Drug Enforcement Administration.*  
 [FR Doc. 91-20824 Filed 8-29-91; 8:45 am]  
 BILLING CODE 4410-09-M

## DEPARTMENT OF THE TREASURY

### 31 CFR Part 3

#### Indemnification of Department of Treasury Employees

**AGENCY:** Department of the Treasury.  
**ACTION:** Final rule and statement of policy.

**SUMMARY:** This rule sets forth the policy of Department of the Treasury to allow the indemnification of its employees to satisfy adverse monetary judgments or to compromise adverse claims made as

a result of action taken in the course of employment where indemnification is not otherwise specifically authorized by law. The rule is similar to regulations recently adopted by the Department of Health and Human Services, Department of the Interior, Small Business Administration and Department of Justice in permitting indemnification in appropriate circumstances, as determined by the agency head or his or her designee.

**EFFECTIVE DATE:** August 30, 1991.

**FOR FURTHER INFORMATION CONTACT:** Adele Siegmund at (202) 566-8416.

**SUPPLEMENTARY INFORMATION:** The Department of the Treasury reimburses, in limited circumstances pursuant to 26 U.S.C. 7423(2) and 28 U.S.C. 2006, Department employees for judgments resulting from conduct taken in the performance of their official duties.

Lawsuits against Federal employees in their personal capacity have proliferated since the Supreme Court's decision in *Bivens v. Six Unknown Named Agents of the Federal Bureau of Narcotics*, 403 U.S. 388 (1971), which held that damage awards against an employee personally are permitted when, in the course of his or her employment, a Federal employee violates an individual's constitutional rights. Although the Federal Liability Reform and Tort Compensation Act of 1988, Public Law 100-694, prohibits personal actions against Federal employees for common law torts committed in the course of employment, the Act does not protect employees from all other types of claims, including those arising under the Constitution. A number of actions have been filed against Treasury employees. While the majority of these claims has resulted in

judgments adverse to the claimants, the prospect of personal liability and the burden of defending a claim arising from the performance of an employee's official duties have a negative effect on Treasury operations, including the Department's significant law enforcement functions.

The Department believes that actions against Federal employees in their personal capacity seriously hinder the Department's effectiveness. Uncertainty as to what conduct may lead to a claim tends to intimidate employees and to stifle creativity and decisive action. Individuals' fears threaten Departmental decision-making and policy determination. A Treasury policy permitting indemnification of its employees alleviates this problem and affords Treasury employees the same protection enjoyed by certain other Federal employees. This policy is supported by the general principle that an agency has the authority to expend appropriated funds to further the mission of the agency and the objectives underlying the appropriation. Pursuant to this principle, the Department of the Treasury holds the view that indemnification is related both to Treasury's mission and to the objectives underlying Treasury's general appropriation.

The indemnification policy permits, but does not require, the Department to indemnify an employee who suffers an adverse judgment, verdict or other monetary award. The Department may also choose to indemnify an employee who enters into a final settlement or compromise of an adverse claim. The Secretary or his or her designee must determine that the conduct giving rise to the award was within the scope of employment and that indemnification is in the interest of the Department.

The general rule is that the Department will not indemnify or pay to settle or compromise a personal damage claim against an employee before entry of an adverse verdict, judgment, or monetary award. However, in a rare case, the Secretary may determine that exceptional circumstances justify the earlier indemnification or payment of a settlement or compromise amount. This provision, analogous to the approach adopted by the Department of Justice, is designed to discourage claims brought against Treasury employees solely to pressure the Department into settlement. In the usual case, the Department will not compromise a matter prior to final determination merely because a dispositive motion filed on behalf of the employee has been denied.

This regulation does not apply to the indemnification of employees under 26 U.S.C. 7423(2) or under 28 U.S.C. 2006.

#### **Paperwork Reduction Act**

This regulation is not subject to the Paperwork Reduction Act because it deals solely with internal rules governing Department of Treasury personnel.

#### **Cost/Regulatory Analysis**

Because this rule relates solely to agency management and personnel, it is not subject to Executive Order 12291, or to the notice and delayed effective date provisions of the Administrative Procedure Act (5 U.S.C. 553). Because no notice of proposed rulemaking is required for this rule, the provisions of the Regulatory Flexibility Act (5 U.S.C. 601-612) do not apply.

Accordingly, 31 CFR part 3 is amended as follows:

### **PART 3—CLAIMS REGULATIONS AND INDEMNIFICATION OF DEPARTMENT OF TREASURY EMPLOYEES**

1. The authority for part 3 is revised to read as follows:

Authority: 28 U.S.C. 2672; 28 CFR part 14; 5 U.S.C. 301.

2. Part 3 is amended by revising the heading as set forth above and adding subpart C consisting of § 3.30 to read as follows:

#### **Subpart C—Indemnification of Department of Treasury Employees**

##### **§ 3.30 Policy.**

(a) The Department of the Treasury may indemnify, in whole or in part, a Department employee (which for purposes of this regulation shall include a former employee) for any verdict, judgment or other monetary award rendered against such employee, provided the Secretary or his or her designee determines that (1) the conduct giving rise to such verdict, judgment or award was within the scope of his or her employment and (2) such indemnification is in the interest of the Department of the Treasury.

(b) The Department of the Treasury may pay for the settlement or compromise of a claim against a Department employee at any time, provided the Secretary or his or her designee determines that (1) the alleged conduct giving rise to the claim was within the scope of the employee's employment and (2) such settlement or compromise is in the interest of the Department of the Treasury.

(c) Absent exceptional circumstances, as determined by the Secretary or his or

her designee, the Department will not entertain a request to indemnify or to pay for settlement of a claim before entry of an adverse judgment, verdict or other determination.

(d) When a Department employee becomes aware that he or she has been named as a party in a proceeding in his or her individual capacity as a result of conduct within the scope of his or her employment, the employee should immediately notify his or her supervisor that such an action is pending. The supervisor shall promptly thereafter notify the chief legal officer of the employee's employing component. The employee shall immediately apprise the chief legal officer of his or her employing component of any offer to settle the proceeding.

(e) A Department employee may request indemnification to satisfy a verdict, judgment or monetary award entered against the employee or to compromise a claim pending against the employee. The employee shall submit a written request, with appropriate documentation including a copy of the verdict, judgment, award or other order or settlement proposal, in a timely manner to the Secretary or his or her designee for decision.

(f) Any payment under this section either to indemnify a Department employee or to settle a claim shall be contingent upon the availability of appropriated funds for the payment of salaries and expenses of the employing component.

Dated: August 8, 1991.

Jeanne S. Archibald,

General Counsel.

[FR Doc. 91-20831 Filed 8-29-91; 8:45 am]

BILLING CODE 4810-25-M

## **DEPARTMENT OF DEFENSE**

### **Office of the Secretary**

#### **32 CFR Part 210**

[DoD Directive 5525.4]

#### **Enforcement of State Traffic Laws on DoD Installations**

**AGENCY:** Office of the Secretary of Defense, DoD.

**ACTION:** Final rule.

**SUMMARY:** This document amends 32 CFR part 210 to include a revision of Department of Defense policy concerning vehicular and pedestrian traffic on military installations. This amendment delegates to the installation commanders the authority to prescribe local traffic regulations.

**EFFECTIVE DATE:** April 1, 1991.

**FOR FURTHER INFORMATION CONTACT:** W. Mason, telephone (703) 697-3387.

**SUPPLEMENTARY INFORMATION:** On April 1, 1991, 56 FR 13284, the Department of Defense published an amendment to part 210 to include the changes as identified in the summary of this document. The revised paragraph 210.3(d) was incompletely presented in the April 1, 1991 publication due to an administrative oversight.

#### List of Subjects in 32 CFR Part 210

Federal buildings and facilities,  
Traffic regulations.

Accordingly, 32 CFR part 210 is amended as follows:

#### PART 210—ENFORCEMENT OF STATE TRAFFIC LAWS ON DOD INSTALLATIONS

1. The authority citation for part 210 continues to read as follows:

Authority: 63 Stat. 377, as amended, 18 U.S.C. 13; 40 U.S.C. 318 a through d., 40 U.S.C. 612.

2. Section 210.3 is amended by revising paragraph (d) as follows:

##### § 210.3 Policy.

(d) A person found guilty of violating, on a military installation, any state vehicular or pedestrian traffic law or local installation vehicular or pedestrian traffic rule or regulation made applicable to the installation under the provisions of this part is subject to a fine of not more than \$50 or imprisonment for not more than 30 days, or both, for each violation (40 U.S.C. 318c).

Dated: August 27, 1991.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 91-20847 Filed 8-29-91; 8:45 am]

BILLING CODE 3810-01-M

#### Department of the Air Force

#### 32 CFR Part 806b

[Air Force Reg. 12-35]

#### Air Force Privacy Act Program

**AGENCY:** Department of the Air Force, DOD.

**ACTION:** Final rule.

**SUMMARY:** The Department of the Air Force is amending two specific exemption rules for existing systems of records subject to the Privacy Act of 1974, as amended, (5 U.S.C. 552a). The systems of records are identified as F035

AF MP A, Effectiveness/Performance Reporting Systems and F035 AF MP P, General Officer Personnel Data System.

**EFFECTIVE DATE:** August 30, 1991.

#### FOR FURTHER INFORMATION:

Contact Mrs. Anne Turner, Air Force Access Programs Officer, SAF/AAIA, The Pentagon, Washington, DC 20330-1000. Telephone (703) 697-3491 or Autovon 227-3491.

**SUPPLEMENTARY INFORMATION:** On May 20, 1991, at 56 FR 23043, the Department of the Air Force published a proposed rule to amend 32 CFR part 806b by revising the subsections from which records contained in two systems of records may be exempt. No comments were received, therefore, the Department of the Air Force is adopting the exemption rule as follows:

#### List of Subjects in 32 CFR Part 806b

Privacy.

Accordingly, the Department of the Air Force is revising two existing exemption rules in 32 CFR part 806b as follows:

#### PART 806b—AIR FORCE PRIVACY ACT PROGRAM

1. The authority citation for 32 CFR part 806b continues to read as follows:

Authority: 5 U.S.C. § 552a, Pub. L. 93-579.

2. Section 806b.13 is amended by revising paragraphs (b)(7) and (b)(10) as follows:

##### § 806b.13 General and specific exemptions.

(b) *Specific exemptions.* \* \* \*

(7) *System identification and name*—F035 AF MP A, Effectiveness/Performance Reporting System

(i) *Exemptions*—Portions of this system that fall within the provisions 5 U.S.C. 552a(k)(7) may be exempt from the following subsections (c)(3); (d); (e)(4)(H); and (f).

(ii) *Authority*—5 U.S.C. 552a(k)(7).

(iii) *Reasons*—Subsection (c)(3) because making the disclosure accounting available to the individual may compromise express promises of confidentiality by revealing details about the report and identify other record sources, which may result in circumvention of the access exemption.

Subsection (d) because individual disclosure compromises express promises of confidentiality conferred to protect the integrity of the promotion rating system.

Subsection (e)(4)(H) because of and to the extent that portions of this record system are exempt from the individual access provisions of subsection (d).

Subsection (f) because of and to the extent that portions of this record system are exempt from the individual access provisions of subsection (d).

(10) *System identification and name*—F035 AF MP P, General Officer Personnel Data System

(i) *Exemption*—Portions of this system of records that fall within the provisions of 5 U.S.C. 552a(k)(7) may be exempt from the following subsections (c)(3); (d); (e)(4)(H); and (f).

(ii) *Authority*—5 U.S.C. 552a(k)(7).

(iii) *Reason*—Subsection (c)(3) because making the disclosure accounting available to the individual may compromise express promises of confidentiality by revealing details about the report and identify other record sources, which may result in circumvention of the access exemption.

Subsection (d) because individual disclosure compromises express promises of confidentiality conferred to protect the integrity of the promotion rating system.

Subsection (e)(4)(H) because of and to the extent that portions of this record system are exempt from the individual access provisions of subsection (d).

Subsection (f) because of and to the extent that portions of this record system are exempt from the individual access provisions of subsection (d).

Dated: August 27, 1991.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 91-20852 Filed 8-29-91; 8:45 am]

BILLING CODE 3810-01-M

#### DEPARTMENT OF TRANSPORTATION

#### Coast Guard

#### 33 CFR Part 100

[CGD 05-91-38]

**Special Local Regulations for Marine Events; Virginia Beach Offshore Grand Prix II; Atlantic Ocean, Rudee Inlet, Lake Rudee, Virginia Beach, VA**

**AGENCY:** Coast Guard, DOT.

**ACTION:** Temporary rule.

**SUMMARY:** Special Local Regulations are being adopted for the Virginia Beach Offshore Grand Prix II to be held in the Atlantic Ocean off Virginia Beach on September 1, 1991. These special local regulations are necessary to control vessel traffic in the immediate vicinity of this event. The effect will be to restrict general navigation in the

regulated area for the safety of spectators and participants.

**EFFECTIVE DATES:** The regulations are effective from 7 a.m. to 7 p.m., September 1, 1991. If inclement weather causes the postponement of the event, the regulations are effective from 7 a.m. to 7 p.m., September 2, 1991.

**FOR FURTHER INFORMATION CONTACT:**

Stephen L. Phillips, Chief, Boating Affairs Branch, Fifth Coast Guard District, 431 Crawford Street, Portsmouth, Virginia 23704-5004 (804) 398-6204, or Commander, Coast Guard Group Hampton Roads (Operations) (804) 483-8559.

**SUPPLEMENTARY INFORMATION:** In accordance with 5 U.S.C. 553, a notice of proposed rulemaking has not been published for these regulations and good cause exists for making them effective in less than 30 days from the date of publication. Adherence to normal rulemaking procedures would not have been possible. Specially, the sponsor's application to hold the event was not received until July 17, 1991, leaving insufficient time to publish a notice of proposed rulemaking in advance of the event.

**Drafting Information**

The drafters of this notice are QM1 Kevin R. Connors, project officer, Boating Affairs Branch, Fifth Coast Guard District, and Lieutenant Monica L. Lombardi, project attorney, Fifth Coast Guard District Legal Staff.

**Background and Purpose**

The Eastern Virginia Offshore Racing Association (EVORA) submitted an application to hold the Virginia Beach Offshore Grand Prix II. The race will consist of approximately 100 powerboats, from 22 to 50 feet in length racing over a closed course off the beachfront at Virginia Beach, Virginia. As part of the application, the EVORA requested that the Coast Guard provide control of spectator and commercial traffic along the beachfront and Rudee Inlet areas.

**Discussion of Regulations**

These regulations will regulate the area surrounding the Virginia Beach Offshore Grand Prix II. The race course is generally oval shaped, running parallel to the shoreline. The Rudee Inlet/Lake Rudee area will include the wet pits and dockage for patrol boats at the Riverhouse boat docks, and the Owl Creek boat ramp which will serve as the put in area for the race participants.

The Cape Henry Precautionary Area and the Dam Neck Danger Area are located to the north and south of the

race course, respectively. While the race course does not encroach on either of these areas, the regulated area includes the southwest corner of the Cape Henry Precautionary Area and the northeast corner of the Dam Neck Danger Area. To provide for the safety of participants, spectators, and vessels transiting the area, the Coast Guard will restrict vessel movement in the regulated area and has established a temporary spectator anchorage for what is expected to be a large spectator fleet. Coast Guard patrol vessels will be positioned at Rudee Inlet to direct vessels to the temporary spectator anchorage. The sponsor will provide approximately 35 vessels, including 15 medical boats with paramedics on board to assist the Coast Guard and local government agencies in patrolling this event. All vessels will display Official Regatta Patrol signs and identity numbers. Representatives of the sponsors and members of the Coast Guard will be present in the vicinity of the race site to inform vessel operators of these regulations and other applicable laws.

**Regulatory Evaluation**

This final rule is not considered major under Executive Order 12291 and not significant under Department of Transportation regulatory policies and procedures (44 FR 11034; February 26, 1979). The economic impact of this regulation is expected to be so minimal that a full regulatory evaluation is unnecessary. This regulation will only be in effect for twelve hours, and the impacts on routine navigation are expected to be minimal as Rudee Inlet will only close for short periods of time as the racers transit to and from the actual race area.

**Small Entities**

Under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), the Coast Guard must consider whether this regulation will have a significant economic impact on a substantial number of small entities. "Small Entities" include independently owned and operated small businesses that are not dominant in their field and that otherwise qualify as "small business concerns" under section 3 of the Small Business Act (15 U.S.C. 632). Most small entities located in the regulated area will be involved with providing services to the EVORA, the race participants, and race spectators. This should have a favorable impact, and only a few small businesses will not be involved. Since the impact of this rule on non-participating small entities will be minimal, the Coast Guard certifies under 5 U.S.C. 605(b),

that this rule will not have a significant economic impact on a substantial number of small entities.

**Federalism Assessment**

This action has been analyzed in accordance with the principles and criteria contained in Executive Order 12612, and it has been determined that the final rule does not raise sufficient federalism implications to warrant the preparation of a Federalism Assessment.

**Environmental Assessment**

This final rule has been thoroughly reviewed by the Coast Guard and determined to be categorically excluded from further environmental documentation in accordance with section 2.B.2.c of Commandant Instruction M16475.1B. A Categorical Exclusion Determination statement has been prepared and been placed in the rulemaking docket.

**List of Subjects in 33 CFR Part 100**

Marine safety, Navigation (water).

*Regulations:* In consideration of the foregoing, part 100 of title 33, Code of Federal Regulations is amended as follows:

**PART 100—[AMENDED]**

1. The authority citation for part 100 continues to read as follows:

Authority: 33 U.S.C. 1233; 49 CFR 1.46 and 33 CFR 100.35.

2. A temporary § 100.35-T0538 is added to read as follows:

**§ 100.35-T0538 Atlantic Ocean, Rudee Inlet, Lake Rudee, Virginia Beach, VA.**

(a) *Definitions*—(1) *Regulated area.* The waters of the Atlantic Ocean commencing at a point on the shoreline at latitude 36°54'23.0" North, longitude 75°59'26.0" West; thence east northeast to latitude 36°54'38" North, longitude 75°56'55" West; thence south southeast parallel to the Virginia Beach shoreline to latitude 36°49'06" North, longitude 75°55'58" West; thence west southwest to the shoreline at latitude 36°48'53" North, longitude 75°57'58" West, and the waters of Rudee Inlet and Lake Rudee including the Owl Creek Boat Ramp.

(2) *Coast Guard Patrol Commander.* The Coast Guard Patrol Commander is a commissioned, warrant, or petty officer of the Coast Guard who has been designated by the Commander, Coast Guard Group Hampton Roads.

(3) *Spectator Anchorage Area.* The waters off the Virginia seacoast bounded by a line connecting the following points:

Latitude	Longitude
36°51'23.0" N	75°56'47.0" W
36°51'27.0" N	75°56'23.0" W
36°50'26.0" N	75°56'13.0" W
36°50'23.0" N	75°56'36.0" W

(b) *Special Local Regulations.* (1) Except for participants in the Virginia Beach Offshore Grand Prix and vessels authorized by the Coast Guard Patrol Commander, no person or vessel may enter or remain in the regulated area without the permission of the Patrol Commander.

(2) The operator of any vessel in the immediate vicinity of this area shall:

(i) Stop the vessel immediately when directed to do so by any commissioned, warrant, or petty officer on board a vessel displaying a Coast Guard ensign.

(ii) Proceed as directed by any commissioned, warrant or petty officer on board a vessel displaying a Coast Guard ensign.

(3) Spectator vessels may anchor in the spectator anchorage area specified in paragraph (a)(3) of these regulations.

(4) The Coast Guard Patrol Commander may allow vessels to transit the regulated area whenever a race heat is not being run.

(5) Vessel operators are advised to remain clear of the advisory area during the effective periods of this regulation.

(c) *Effective periods:* The regulations are effective from 7 a.m. to 7 p.m., September 1, 1991. If inclement weather causes the postponement of the event, the regulations are effective from 7 a.m. to 7 p.m., September 2, 1991.

Dated: 19 August 1991.

W.T. Leland,  
Rear Admiral, U.S. Coast Guard Commander,  
Fifth Coast Guard District.

[FR Doc. 91-20735 Filed 8-29-91; 8:45 am]

BILLING CODE 491-014-M

### 33 CFR Part 100

[CGD7 91-28]

#### Special Local Regulations: City of Fort Lauderdale, FL

AGENCY: Coast Guard, DOT.

ACTION: Temporary rule.

**SUMMARY:** Special Local Regulations are being adopted for the 1991 Bell South Mobility International Outboard Grand Prix. The event will be held on October 2, 1991, from 11 a.m. e.d.t. until 4 p.m. e.d.t.; on October 5 and 6, 1991, from 9 a.m. e.d.t. until 6 p.m. e.d.t. with October 7, 1991, as a rain date. The regulations are needed to promote the safety of life on navigable waters during the event.

**EFFECTIVE DATE:** These regulations will become effective on October 2, 1991, at 10:30 a.m. e.d.t. and will terminate at

4:30 p.m. e.d.t.; on October 5 and 6, 1991, from 8:30 a.m. e.d.t. and will terminate at 6:30 p.m. e.d.t. with October 7, 1991 as a rain date.

**FOR FURTHER INFORMATION CONTACT:** ENS T.M. Perez (305) 535-4304.

**SUPPLEMENTARY INFORMATION:** On July 15, 1991, the Coast Guard published a notice of proposed rulemaking in the *Federal Register* for these regulations (56 FR 32150). Interested persons were requested to submit comments on or before August 14, 1991.

#### Discussion of Comments

A total of 63 comments were received—three in opposition to the proposed rule and sixty in favor.

The first opposing comment was received from the Save the Manatee Club, of Maitland, Florida. The Club is opposed to the conduct of marine events in known manatee habitat. They report that the Florida Department of Natural Resources states that the race area is used continuously by manatees. They also argue that should an early cold spell occur, the manatees will be traveling through the race area to reach the Port Everglades Power Plant warm water refuge. Should the race be held, they want strict compliance with Florida Department of Natural Resources recommendations, including a continuous aerial survey of the race area, and immediate termination of the race if permit conditions are violated.

The second opposing comment was received from the Animal Rights Foundation of Florida, Inc., of Pembroke Pines, Florida. The Foundation opposes this race because of the potential for harm to manatees.

The third opposing comment was received from a private individual who opposes this race because of the potential for harm to manatees.

Before permitting a race of this type, the Coast Guard consults with the U.S. Fish and Wildlife Service under section 7 of the Endangered Species Act. In this case, the U.S. Fish and Wildlife Service is of the opinion that the race is likely to adversely affect, but is not likely to jeopardize the continued existence of, the West Indian manatee. To reduce the impact on the manatee, the following permit restrictions were recommended: (1) A pre-event briefing, (2) a continuous aerial watch program with a written after action report, (3) no harassment or escorting of manatees, and (4) halting the race if a manatee is sighted within 500 feet.

The Coast Guard has adopted these permit restrictions and the race sponsor will be required to strictly adhere to these operating and reporting requirements.

Sixty commenters favored conducting the race as described in the proposed rule.

The final rule is unchanged from the proposed rule, except for a correction to the hours listed in the **EFFECTIVE DATE** paragraph.

#### Drafting Information

The drafters of this regulation are LT Genelle G. Tanos, Project Attorney, Seventh Coast Guard District Legal Office, and ENS Teresa Perez, Project Officer, USCG Group Miami.

#### Discussion of Regulations

The International Outboard Grand Prix will sponsor the 1991 Bell South Mobility International Outboard Grand Prix. The event is a race involving sixty (60) participants in outboard performance crafts, ranging in size from 15 to 22 feet with capabilities of reaching 100 MPH. The course will be an enclosed one mile oval in the Intercoastal Waterway (ICW) from the south end of Bahia Mar Yachting Center to the north end of Bahia Mar Yachting Center. The waterway will be closed for approximately one hour intervals between the hours of 10:30 a.m. e.d.t. and 4:30 p.m. e.d.t. on October 2, 1991, and from 8:30 a.m. e.d.t. until 6:30 p.m. e.d.t. on October 5 and 6, 1991, with October 7, 1991, as a rain date. The number of spectator vessels is unknown.

#### Federalism

This action has been analyzed in accordance with the principles and criteria contained in Executive Order 12612, and it has been determined that the rulemaking does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

#### List of Subjects in 33 CFR Part 100

Marine safety, Navigation (water).

*Regulation:* In consideration of the foregoing, part 100 of title 33, Code of Federal Regulations, is amended as follows:

#### PART 100—[AMENDED]

1. The authority citation for part 100 continues to read as follows:

Authority: 33 U.S.C. 1233, 49 CFR 1.46 and 33 CFR 100.35.

2. A temporary § 100.35-T0728 is added as follows:

#### § 100.35-T0728 1991 Bell South Mobility International Outboard Grand Prix.

(a) *Regulated Area:* The northern boundary of the regulated area will be a line drawn perpendicular to the center

line of the Intercoastal Waterway 100 yards south of the Las Olas Bascule Bridge. The southern boundary will be a line drawn from the western most point on Burnham Point on a 290 degree true radial to the western shore of the Intercoastal Waterway.

(b) *Special Local Regulations:*

(1) Entry into the regulated area is prohibited unless authorized by the Patrol Commander.

(2) All vessels in the regulated area will follow the directions of the Patrol Commander and will proceed at no more than 5 m.p.h. when passing the regulated area.

(3) A succession of not fewer than 5 short whistle or horn blasts from a patrol vessel will be the signal for any nonparticipating vessel to stop immediately. The display of an orange distress smoke signal from a patrol vessel will be the signal for any vessel to stop immediately.

(c) *Effective Date:* These regulations become effective on October 2, 1991, at 10:30 a.m. e.d.t. and will terminate at 4:30 p.m. e.d.t.; on October 5 and 6, 1991, from 8:30 a.m. e.d.t. and will terminate at 6:30 p.m. e.d.t., with October 7, 1991 as a rain date.

Dated: 21 August 1991.

R.E. Kramek,

*RAADM, U.S. Coast Guard Commander,  
Seventh Coast Guard District.*

[FR Doc. 91-20856 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-14-M

### 33 CFR Part 165

[CGD1 91-131]

#### Safety Zone Regulations: Boquet River and Lake Champlain, Willsboro, NY

**AGENCY:** Coast Guard, DOT.

**ACTION:** Temporary rule.

**SUMMARY:** The Coast Guard is establishing a safety zone in the Boquet River Basin at Willsboro, New York. This zone is needed to protect the maritime community from the possible dangers and hazards associated with low level aerial spraying of chemical dust toxic to lamprey eels. Entry into or movement within this zone is prohibited unless authorized by the Captain of the Port, New York.

**EFFECTIVE DATES:** This regulation becomes effective at 7 a.m., 09 September, 1991; it terminates at 8:30 p.m., 09 September, 1991.

**FOR FURTHER INFORMATION CONTACT:** MST1 S. Whinham of Captain of the Port, New York (212) 668-7934.

**SUPPLEMENTARY INFORMATION:** In accordance with 5 U.S.C. 553, a notice of

proposed rulemaking was not published for this regulation and good cause exists for making it effective in less than 30 days after *Federal Register* publication. Publishing an NPRM and delaying its effective date would be contrary to public interest since immediate action is needed to respond to any potential hazards.

#### Drafting Information

The drafters of this regulation are LTJG C.W. Jennings, project officer, Captain of the Port, New York, and Lt. John B. Gately, project attorney, First Coast Guard District Legal Office.

#### Discussion of Regulation

The circumstances requiring this regulation result from the possible dangers and hazards associated with low level aerial spraying of a chemical dust toxic to lamprey eels. This project is being undertaken by the New York State Department of Environmental Conservation as part of an eight year lamprey eel eradication program in Lake Champlain. This regulation is effective from 7 a.m., 09 September 1991 to 8:30 p.m., 09 September 1991.

This regulation is issued pursuant to 33 U.S.C. 1225 and 1231 as set out in the authority citation for all of part 165.

#### List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Security measures, Vessels, Waterways.

#### Regulation

In consideration of the foregoing, part 165 of title 33, Code of Federal Regulations, is amended as follows:

1. The authority citation for part 165 continues to read as follows:

Authority: 33 U.S.C. 1225 and 1231; 50 U.S.C. 191; 49 CFR 1.46 and 33 CFR 1.05-1(g), 6.04-1, 6.04-6 and 160.5.

#### PART 165—[Amended]

2. A new § 165.T1131 is added to read as follows:

##### § 165.T1131 Safety Zone: Boquet River and Lake Champlain, Willsboro, New York.

(a) *Location.* The following area is a Safety Zone: All waters of the Boquet River Basin bounded by a line connecting the following points:

Latitude	Longitude
44°21'52"N	73°21'30"W
44°21'52"N	73°20'30"W
44°20'10"W	73°20'30"W
44°20'10"N	73°21'10"W

and thence, along the shoreline to the point of the beginning.

(b) *Effective date.* This regulation becomes effective at 7 a.m., 09

September, 1991; it terminates at 8:30 p.m., 09 September, 1991.

(c) *Regulations.* In accordance with the general regulations in § 165.23 of this part entry into or movement within this zone is prohibited unless authorized by the Captain of the Port.

Dated: August 7, 1991.

R.M. Larrabee,

*Captain, U.S. Coast Guard, Captain of the Port, New York.*

[FR Doc. 91-20736 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-14-M

### 33 CFR Part 165

[CGD1 91-129]

#### Safety Zone Regulations: Little AuSable River and Lake Champlain, AuSable Point, NY

**AGENCY:** Coast Guard, DOT.

**ACTION:** Temporary rule.

**SUMMARY:** The Coast Guard is establishing a safety zone in the Little AuSable River Basin at AuSable Point, New York. This zone is needed to protect the maritime community from the possible dangers and hazards associated with low level aerial spraying of chemical dust toxic to lamprey eels. Entry into or movement within this zone is prohibited unless authorized by the Captain of the Port, New York.

**EFFECTIVE DATES:** This regulation becomes effective at 7 a.m., 10 September, 1991, it terminates at 8:30 p.m., 10 September, 1991.

**FOR FURTHER INFORMATION CONTACT:** MST1 S. Whinham of Captain of the Port, New York (212) 668-7934.

**SUPPLEMENTARY INFORMATION:** In accordance with 5 U.S.C. 553, a notice of proposed rulemaking was not published for this regulation and good cause exists for making it effective in less than 30 days after *Federal Register* publication. Publishing an NPRM and delaying its effective date would be contrary to public interest since immediate action is needed to respond to any potential hazards.

#### Drafting Information

The drafters of this regulation are LTJG C.W. Jennings, project officer, Captain of the Port New York, and Lt. John B. Gately, project attorney, First Coast Guard District Legal Office.

#### Discussion of Regulation

The circumstances requiring this regulation result from the possible dangers and hazards associated with



low level aerial spraying of a chemical dust toxic to lamprey eels. This project is being undertaken by the New York State Department of Environmental Conservation as part of an eight year lamprey eel eradication program in Lake Champlain. This regulation is effective from 7 a.m., 10 September 1991 to 8:30 p.m., 10 September 1991.

This regulation is issued pursuant to 33 U.S.C. 1225 and 1231 as set out in the authority citation for all of part 165.

#### List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Security measures, Vessels, Waterways.

#### Regulation

In consideration of the foregoing, part 165 of title 33, Code of Federal Regulations, is amended as follows:

1. The authority citation for part 165 continues to read as follows:

Authority: 33 USC 1225 and 1231; 50 USC 191; 49 CFR 1.46 and 33 CFR 1.05-1(g), 6.04-1, 6.04-6 and 160.5.

#### PART 165—[AMENDED]

2. A new § 165.T1129 is added to read as follows:

**§ 165.T1129 Safety Zone: Little AuSable River and Lake Champlain, AuSable Point, New York.**

(a) *Location.* The following area is a Safety Zone: All waters of the Little AuSable River Basin bounded by a line connecting the following points:

Latitude	Longitude
44°35'15"N	73°26'20"W
44°35'15"N	73°25'30"W
44°34'20"W	73°25'18"W

and thence, along the shoreline to the point of the beginning.

(b) *Effective date.* This regulation becomes effective at 7 a.m., 10 September, 1991, it terminates at 8:30 p.m., 10 September, 1991.

(c) *Regulations.* In accordance with the general regulations in § 165.23 of this part entry into or movement within this zone is prohibited unless authorized by the Captain of the Port.

Dated: August 7, 1991.

R.M. Larrabee,  
Captain of the Port, New York.  
[FR Doc. 91-20737 Filed 8-29-91; 8:45 am]  
BILLING CODE 4910-14-M

#### 33 CFR Part 165

[Captain of the Port Regulation 91-133]

#### Safety Zone Regulations; Labor Day Fireworks

AGENCY: Coast Guard, DOT.

**ACTION:** Temporary rule.

**SUMMARY:** The Coast Guard is establishing a safety zone in the Connecticut River between bouys N"92" and N"90," Middletown, Connecticut. This safety zone is needed to protect marine traffic and the public from the safety hazard associated with a fireworks display in a narrow channel. Entry into this zone is prohibited unless authorized by the Captain of the Port, Long Island Sound.

**EFFECTIVE DATE:** This regulation becomes effective at 8:45 pm, September 1, 1991. It terminates at 9:15 pm on September 1, 1991, unless terminated sooner by the Captain of the Port. The rain date for this event is September 2, 1991, at the same times.

**FOR FURTHER INFORMATION CONTACT:** LT. David D. Skewes, Captain of the Port, Long Island Sound at (203) 468-4464.

**SUPPLEMENTARY INFORMATION:** In accordance with 5 U.S.C. 553, a notice of proposed rulemaking was not published for this regulation and good cause exists for making it effective in less than 30 days after Federal Register Publication. Publishing an NPRM and delaying its effective date would be contrary to the public interest since immediate action is needed to protect any marine traffic from the potential hazards involved.

#### Drafting Information

The drafters of this regulation are LT David D. Skewes, project officer for Captain of the Port Long Island Sound, and LT John B. Gately, project attorney, First Coast Guard District Legal Office.

#### Discussion of Regulation

The event requiring this regulation is a fireworks display in the navigable waters of the United States. This Safety Zone is needed to protect any transiting commercial or recreational marine traffic or the public from the hazards associated with the fireworks display.

This regulation is issued pursuant to U.S.C. 1225 and 1231 as set out in the authority citation for all of part 165.

#### List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Security measures, Vessels, Waterways.

#### Regulation

In consideration of the foregoing, subpart C of part 165 of title 33, Code of Federal Regulations, is amended as follows:

1. The authority citation for part 165 continues to read as follows:

Authority: 33 U.S.C. 1225 and 1231; 50 U.S.C. 191; 49 CFR 1.46 and 33 CFR 1.05-1(g), 6.04-1, 6.04-6, and 160.5.

#### PART 165—[AMENDED]

2. A new temporary § 165.T1133 is added to read as follows:

#### § 165.T1133 Safety Zone: Labor Day Fireworks.

(a) *Location.* The following area is a safety zone: All waters within a 500' square around the 12 foot by 40 foot barges used as fireworks launching platforms anchored in the Connecticut River directly adjacent to the America's Cup Restaurant in Middletown, Connecticut, between river bouys N"92" and N"90." The boundaries of this zone will be marked with 4 large orange spheres/marker buoys positioned in a square around the launching platforms.

(b) *Effective date.* This regulation becomes effective on September 1, 1991, at 8:45 pm. It terminates at 9:15 pm on September 1, 1991, unless terminated sooner by the Captain of the Port. The rain date for this event is September 2, 1991, at the same times.

(c) *Regulations.* In accordance with the general regulations in § 165.23 of this part, entry into this zone during the specified times is prohibited unless authorized by the Captain of the Port or his on scene representatives.

Dated: August 28, 1991.

H. Bruce Dickey,  
Captain, U.S. Coast Guard, Captain of the Port Long Island Sound.

[FR Doc. 91-20859 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-14-M

#### 33 CFR Part 165

[COTP Louisville, Kentucky Regulation 91-14]

#### Safety Zone Regulations; Ohio River Louisville, KY

AGENCY: Coast Guard, DOT.

**ACTION:** Temporary rule.

**SUMMARY:** The Coast Guard is establishing a safety zone for the Ohio River, mile 601.5 to 603.5. The zone is needed to protect all vessels and spectators from a safety hazard associated with a fireworks display sponsored by the Steamboat Fest of Jeffersonville, Indiana. Entry into this zone is prohibited unless authorized by the Captain of the Port.

**EFFECTIVE DATE:** This regulation becomes effective at 9:30 p.m. e.d.s.t. on 6 September 1991. It terminates at 10:30 p.m. e.d.s.t. on 6 September 1991, unless sooner terminated by the Captain of the Port.

**FOR FURTHER INFORMATION CONTACT:**

Lt. D.L. Hutchinson, (502) 582-5194.

**SUPPLEMENTARY INFORMATION:**

In accordance with 5 U.S.C. 553, a notice of proposed rulemaking was not published for this regulation and good cause exists for making it effective in less than 30 days after *Federal Register* publication due to the short notice of the incident. Publishing an NPRM and delaying its effective date would be contrary to the public interest since immediate action is needed to respond to potential hazards to the vessels involved.

**Drafting Information**

The drafter of this regulation is Lt. D.L. Hutchinson, project officer for the Captain of the Port.

**Discussion of Regulation**

The event requiring this regulation will begin on 6 September 1991 at 9:30 p.m. e.d.s.t. and end on 6 September 1991 at 10:30 p.m. e.s.t. The fireworks display will take place at mile 602.5 on the Ohio River. The river closure is needed to protect river traffic and spectators.

This regulation is issued pursuant to 33 U.S.C. 1225 and 1231 as set out in the authority citation for all of part 165.

**List of Subjects in 33 CFR Part 165**

Harbors, Marine safety, Navigation (water), Security measures, Vessels, Waterways.

**Regulation**

In consideration of the foregoing, subpart C of part 165 of title 33, Code of Federal Regulations, is amended as follows:

**PART 165—[AMENDED]**

1. The authority citation for part 165 continues to read as follows:

Authority: 33 U.S.C. 1225 and 1231; 50 U.S.C. 191; 49 CFR 1.46 and 33 CFR 1.05-1(g), 6.04-1, 6.04-6, and 160.5.

2. A new § 165.T02-048 is added to read as follows:

**§ 165.T02-048 Safety Zone: All waters of the Ohio River from Mile 601.5 to 603.5.**

(a) *Location.* The following area is a safety zone: All waters of the Ohio River Mile 601.5 to 603.5.

(b) *Effective Date.* This regulation becomes effective at 9:30 p.m. e.d.s.t. on 6 September 1991. It terminates at 10:30 p.m. e.d.s.t. on 6 September 1991, unless sooner terminated by the Captain of the Port.

(c) *Regulations.* (1) In accordance with the general regulations in § 165.23 of this part, entry into zone is prohibited unless authorized by the Captain of the Port.

(2) The Captain of the Port's representative may be contacted on VHF radio Channel 16 during the event.

Dated: August 27, 1991.

W.J. Morani Jr.,

*Commander, U.S. Coast Guard, Captain of the Port, Louisville, Kentucky.*

[FR Doc. 91-20858 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-14-M

**33 CFR Part 165**

[COTP Louisville, Kentucky Regulation 91-15]

**Safety Zone Regulations; Ohio River Louisville, KY**

**AGENCY:** Coast Guard, DOT.

**ACTION:** Temporary rule.

**SUMMARY:** The Coast Guard is establishing a safety zone for the Ohio River, mile 599.0 to 601.1. The zone is needed to protect all vessels and spectators from a safety hazard associated with a fireworks display sponsored by the Kentuckiana Powerboat Classic Louisville, Kentucky. Entry into this zone is prohibited unless authorized by the Captain of the Port.

**EFFECTIVE DATE:** This regulation becomes effective at 9:30 p.m. e.d.s.t. on 7 September 1991. It terminates at 10:30 p.m. e.d.s.t. on 7 September 1991, unless sooner terminated by the Captain of the Port.

**FOR FURTHER INFORMATION CONTACT:**

Lt. D. L. Hutchinson, (502) 582-5194.

**SUPPLEMENTARY INFORMATION:**

In accordance with 5 U.S.C. 553, a notice of proposed rulemaking was not published for this regulation and good cause exists for making it effective in less than 30 days after *Federal Register* publication due to the short notice of the incident. Publishing an NPRM and delaying its effective date would be contrary to the public interest since immediate action is needed to respond to potential hazards to the vessels involved.

**Drafting Information**

The drafter of this regulation is Lt. D.L. Hutchinson, project officer for the Captain of the Port.

**Discussion of Regulation**

The event requiring this regulation will begin on 7 September 1991 at 9:30 p.m. e.d.s.t. and end on 7 September 1991 at 10:30 p.m. e.d.s.t. The fireworks display will take place at mile 599.6 on the Ohio River. The river closure is needed to protect river traffic and spectators.

This regulation is issued pursuant to 33 U.S.C. 1225 and 1231 as set out in the authority citation for all of part 165.

**List of Subjects in 33 CFR Part 165**

Harbors, Marine safety, Navigation (water), Security measures, Vessels, Waterways.

**Regulation**

In consideration of the foregoing, subpart C of part 165 of title 33, Code of Federal Regulations, is amended as follows:

**PART 165—[AMENDED]**

1. The authority citation for part 165 continues to read as follows:

Authority: 33 U.S.C. 1225 and 1231; 50 U.S.C. 191; 49 CFR 1.46 and 33 CFR 1.05-1(g), 6.04-1, 6.04-6, and 160.5.

2. A new § 165.T02-049 is added to read as follows:

**§ 165.T02-049 Safety Zone: All waters of the Ohio River from Mile 599.0 to 601.1.**

(a) *Location.* The following area is a safety zone: All waters of the Ohio River Mile 599.0 to 601.1.

(b) *Effective Date.* This regulation becomes effective at 9:30 p.m. e.d.s.t. on 7 September 1991. It terminates at 10:30 p.m. e.d.s.t. on 7 September 1991, unless sooner terminated by the Captain of the Port.

(c) *Regulations.* (1) In accordance with the general regulations in § 165.23 of this part, entry into zone is prohibited unless authorized by the Captain of the Port.

(2) The Captain of the Port's representative may be contacted on VHF radio Channel 16 during the event.

Dated: August 29, 1991.

W.J. Morani Jr.,

*Commander, U.S. Coast Guard, Captain of the Port, Louisville, Kentucky.*

[FR Doc. 91-20860 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-14-M

**ENVIRONMENTAL PROTECTION AGENCY****40 CFR Part 271**

[FRL-3991-7]

**New York: Final Authorization of State Hazardous Waste Program Revisions**

**AGENCY:** Environmental Protection Agency.

**ACTION:** Immediate final rule.

**SUMMARY:** New York has applied for final authorization of revisions to its hazardous waste program under the



Resource Conservation and Recovery Act (RCRA). The Environmental Protection Agency (EPA) has reviewed New York's application and has made a decision, subject to public review and comment, that New York's hazardous waste program revision satisfies all of the requirements necessary to qualify for final authorization. Thus, EPA intends to approve New York's hazardous waste program revisions. New York's application for program revision is available for public review and comment.

**DATES:** Final authority for New York shall be effective October 29, 1991, unless EPA publishes a prior **Federal Register** action withdrawing this immediate final rule. All comments on New York's program revision application must be received by the close of business September 30, 1991.

**ADDRESSES:** Copies of New York's program revision applications are available during the business hours of 8 a.m. to 4:30 p.m. at the following addresses for inspection and copying: New York State Department of Environmental Conservation, 50 Wolf Road, room 204, Albany, New York 12233-0001, (518) 457-3273; EPA Library (PM 211A), 401 M Street, SW., Washington, DC 20460, 202/382-5926. U.S. EPA Region II Library, room 402, 26 Federal Plaza, New York, New York 10278, Phone (212) 264-2881. Written comments should be sent to: Mr. Conrad Simon, Director, Air and Waste Management Division, U.S. EPA, Region II, 26 Federal Plaza, New York, New York 10278, (212) 264-2301.

**FOR FURTHER INFORMATION CONTACT:** Mrs. Elizabeth E. Van Rabenswaay, Environmental Scientist; Hazardous Waste Programs Branch, Air & Waste Management Division, U.S. EPA, Region II, 26 Federal Plaza, New York, New York 10278, (212) 264-0548.

**SUPPLEMENTARY INFORMATION:**

**A. Background**

States with final authorization under § 3006(b) of the Resource Conservation and Recovery Act (RCRA or the Act), 42 U.S.C. 6926(b), have a continuing obligation to maintain a hazardous waste program that is equivalent to, consistent with, and no less stringent than the Federal hazardous waste program. In addition, as an interim measure, the Hazardous and Solid Waste Amendments of 1984 (Pub. L. 98-616, November 8, 1984, hereinafter HSWA) allows States to revise their programs to become equivalent to RCRA requirements promulgated under HSWA authority. Revisions to State hazardous waste programs are necessary when

Federal or State authority or regulatory authority is modified or when certain other changes occur. Most commonly, State program revisions are necessitated by changes to EPA's regulations in 40 CFR parts 260-266, 268, 124 and 270.

**B. New York**

New York initially received final authorization on May 29, 1986. New York received authorization for revisions to its program on July 3, 1989, and March 6, 1990. On May 28, 1991, New York submitted a program revision application for additional program approvals. Today, New York is seeking approval of its program revision in accordance with 40 CFR 271.21(b)(3).

EPA has reviewed New York's application, and has made an immediate final decision that New York's hazardous waste program revision satisfied all of the requirements necessary to qualify for final authorization. Consequently, EPA intends to grant final authorization for the additional program modifications to New York. The public may submit written comments on EPA's immediate final decision up until September 30, 1991. Copies of New York's application for program revision are available for inspection and copying at the locations indicated in the "ADDRESSES" section of this Notice.

Approval of New York's program revision shall become effective 60 days after the date of publication of this Notice unless an adverse comment pertaining to the State's revision discussed in this Notice is received by the end of the comment period. If an adverse comment is received, EPA will publish either (1) a withdrawal of the immediate final decision or (2) a Notice containing a response to comments which either affirms that the immediate final decision takes effect or reverses the decision. New York is applying for final authorization of the following Federal hazardous waste requirement:

**Federal Requirement**

Research, Development, and Demonstration (RD&D) Permit RCRA section 3005(g) [42 USC 6925(g)], 40 CFR 270.65 and 270.10(a). (50 FR 28702; 7/15/85).

**State Authority**

Environmental Conservation Law (ECL) section 27-0707 and section 27-0913; 6 New York Code of Rules and Regulations (NYCRR) section 373-1.9(c) and section 373-1.4(a)(1).

New York is not authorized, nor is it seeking to be authorized, to operate the Federal Program on Indian lands. This authorization shall remain with the EPA.

**C. Decision**

The EPA concludes that New York's application for program revision meets all of the statutory and regulatory requirements established by RCRA. Accordingly, New York is granted final authorization to operate its hazardous waste program as revised. New York now has expanded responsibility for permitting treatment, storage and disposal facilities within its borders and carrying out other aspects of the RCRA program, subject to the limitation of its revised program application and previously approved authorities. New York also has primary enforcement responsibilities for the program revision, although EPA retains the right to conduct inspections under section 3007 of RCRA and to take enforcement actions under sections 3008, 3013 and 7003 of RCRA.

**Compliance With Executive Order 12291**

The Office of Management and Budget has exempted this rule from the requirements of section 3 of Executive Order 12291.

**Certification Under the Regulatory Flexibility Act**

Pursuant to the provisions of 5 U.S.C. 605(b), I hereby certify that this authorization will not have a significant economic impact on a substantial number of small entities. This authorization effectively suspends the applicability of certain Federal regulations in favor of New York's program, thereby eliminating duplicative requirements for handlers of hazardous waste in the State. It does not impose any new burdens on small entities. This rule, therefore, does not require a regulatory flexibility analysis.

**List of Subjects in 40 CFR Part 271**

Administrative practice and procedure, Confidential business information, Hazardous materials transportation, Hazardous waste, Indians-lands, Intergovernmental relations, Penalties, Reporting and recordkeeping requirements, Water pollution control, Water supply.

**Authority:** This Notice is issued under the authority of sections 2002(a), 3006 and 7004(b) of the Solid Waste Disposal Act, as amended, 42 U.S.C. 6912(a), 6926, 6974(b).

Dated: August 16, 1991.

William J. Muszynski,  
Acting Regional Administrator.  
[FR Doc. 91-20909 Filed 8-29-91; 8:45 am]

BILLING CODE 6560-50-M

## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Part 73

[MM Docket No. 91-76; RM-7647]

### Radio Broadcasting Services; Reserve, LA

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule.

**SUMMARY:** The Commission, at the request of Virgie Hare du Treil, permittee of Station WADU(FM), Channel 235A, Reserve, Louisiana, substitutes Channel 235C3 for Channel 235A at Reserve, Louisiana, and modifies WADU(FM)'s construction permit to specify operation on the higher powered channel. See 56 FR 14053, April 5, 1991. Channel 235C3 can be allotted to Reserve in compliance with the Commission's minimum distance separation requirements with a site restriction of 21.0 kilometers (13.1 miles) southwest of the community to avoid short-spacings to five of the six pending applications for Channel 234A at Lacombe, Louisiana. The coordinates for the allotment of Channel 235C3 at Reserve are North Latitude 29-58-37 and West Longitude 90-45-01. With this action, this proceeding is terminated.

**EFFECTIVE DATE:** October 11, 1991.

**FOR FURTHER INFORMATION CONTACT:** Pamela Blumenthal, Mass Media Bureau, (202) 654-6530.

**SUPPLEMENTARY INFORMATION:** This is a synopsis of the Commission's Report and Order, MM Docket No. 91-76, adopted August 13, 1991, and released August 27, 1991. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (room 230), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, Downtown Copy Center, (202) 452-1422, 1714 21st Street NW., Washington, DC 20036.

### List of Subjects in 47 CFR Part 73

Radio broadcasting

### PART 73—[AMENDED]

1. The authority citation for part 73 continues to read as follows:

Authority: 47 U.S.C. 154, 303.

#### § 73.202 [Amended]

2. Section 73.202(b), the Table of FM Allotments under Louisiana, is amended by removing Channel 235A and adding Channel 235C3 at Reserve.

Federal Communications Commission.

Michael C. Ruger,

Assistant Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 91-20915 Filed 8-29-91; 8:45 am]

BILLING CODE 8712-01-M

## DEPARTMENT OF ENERGY

### 48 CFR Part 919

### Acquisition Regulation; Small Business Act Section 8(a) Contracting

**AGENCY:** Department of Energy (DOE).

**ACTION:** Final rule.

**SUMMARY:** The Department is amending the Department of Energy Acquisition Regulation (DEAR) to exempt procurements under the authority of section 8(a) of the Small Business Act from the formal Source Evaluation Board procedures set forth in § 915.613, Alternate source selection procedures. The intent is to avoid unnecessary administrative leadtime and expense for both the prospective contractors and the Department which would be necessary if the more formal selection procedures were utilized. This action follows publication of a notice of proposed rulemaking on May 10, 1991 (56 FR 21651). No public comments were received in response to that notice.

**EFFECTIVE DATE:** This will be effective September 30, 1991.

#### FOR FURTHER INFORMATION CONTACT:

Richard B. Langston, Office of Procurement, Assistance and Program Management (PR-121), Department of Energy, 1000 Independence Avenue, SW., Washington, DC 20585, (202) 586-8247.

Laura Fullerton, Office of the Assistant General Counsel for Procurement and Finance (GC-34), Department of Energy, 1000 Independence Avenue, SW., Washington, DC 20585, (202) 586-1900.

#### SUPPLEMENTARY INFORMATION:

I. Background

II. Public Comments

III. Procedural Requirements

A. Review Under Executive Order 12291

B. Review Under the Regulatory Flexibility Act

C. Review Under the Paperwork Reduction Act

D. Review Under Executive Order 12612

E. National Environmental Policy Act

#### I. Background

Under section 644 of the Department of Energy Organization Act, Public Law 95-91 (42 U.S.C. 7254), the Secretary of Energy is authorized to prescribe such procedural rules and regulations as may be deemed necessary or appropriate to

accomplish the functions vested in the position. Accordingly, the DEAR was promulgated with an effective date of April 1, 1984 (49 FR 11922, March 28, 1984), 48 CFR chapter 9.

The Department is amending the DEAR to specify that competitive acquisitions under the authority of section 8(a) of the Small Business Act are exempt from the Department's formal Source Evaluation Board procedures. This will be accomplished by adding a new subpart 919.805, which furnishes background and recognizes the exemption. This should minimize administrative expenses and leadtime associated with these awards which are made in conjunction with the Small Business Administration.

#### II. Public Comments

A notice of proposed rulemaking was published on May 10, 1991 (56 FR 21651) inviting public comments. No comments were received.

#### III. Procedural Requirements

##### A. Review Under Executive Order 12291

This Executive order, entitled "Federal Regulation," requires that certain regulations be reviewed by the OMB prior to their promulgation. This final rule was submitted to the Office of Management and Budget for review.

##### B. Review Under the Regulatory Flexibility Act

This rule was reviewed under the Regulatory Flexibility Act of 1989, Public Law 96-354, which requires preparation of a regulatory flexibility analysis for any rule which is likely to have significant economic impact on a substantial number of small entities. DOE certifies that this rule will not have a significant economic impact on a substantial number of small entities and, therefore, no regulatory flexibility analysis has been prepared.

##### C. Review Under the Paperwork Reduction Act

No new information collection or recordkeeping requirements are imposed by this rule. Accordingly, no OMB clearance is required under the Paperwork Reduction Act of 1980 (44 U.S.C. 3501, *et seq.*).

##### D. Review Under Executive Order 12612

Executive Order 12612, entitled "Federalism," 52 FR 41685 (October 30, 1987), requires that regulations, rules, legislation, and any other policy actions be reviewed for any substantial direct effects on States, on the relationship between the national government and the States, or in the distribution of

power and responsibilities among various levels of government. If there are sufficient substantial direct effects, then the Executive order requires preparation of a federalism assessment to be used in all decisions involved in promulgating and implementing a policy action.

This rule will revise certain policy and procedural requirements. DOE has determined that none of the revisions will have a direct effect on the institutional interests or traditional functions of the States.

#### *E. National Environmental Policy Act*

DOE has concluded that promulgation of this rule would not represent a major Federal action having significant impact on the human environment under the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4321 *et seq.*) (1976), the Council on Environmental Quality Regulations (40 CFR parts 1500-1508), or the DOE Guidelines (10 CFR

part 1021) and, therefore, does not require an environmental impact statement or an environmental assessment pursuant to NEPA.

#### **List of Subjects in 48 CFR Part 919**

Government procurement.

For the reasons set out in the preamble, part 919 of title 48 of the Code of Federal Regulations is amended as set forth below. Issued in Washington, DC, on August 27, 1991.

**Berton J. Roth,**

*Acting Director, Office of Procurement,  
Assistance and Program Management.*

#### **PART 919—SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS CONCERNS**

1. The authority citation for part 919 continues to read as follows:

Authority: 42 U.S.C. 7254; 40 U.S.C. 486(c).

2. A new subpart 919.8 is added to read as follows:

#### **Subpart 919.8—Contracting with the Small Business Administration (the 8(a) Program)**

##### **919.805-2 Procedures.**

Acquisitions involving section 8(a) competition are exempt from Department of Energy formal Source Evaluation Board procedures cited in subpart 915.6, Source Selection, but must still comply with source selection procedures set forth in the FAR in accordance with 13 CFR 124.311(f)(1).

[FR Doc. 91-20899 Filed 8-29-91; 8:45 am]

BILLING CODE 6450-01-M

# Proposed Rules

Federal Register

Vol. 56, No. 169

Friday, August 30, 1991

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF JUSTICE

### Immigration and Naturalization Service

8 CFR Parts 103, 242, 243, 264, 274a, 299

[INS No. 1414-91]

RIN 1115-AC39

### Applicant Processing for Family Unity Benefits

**AGENCY:** Immigration and Naturalization Service, Justice.

**ACTION:** Proposed rule.

**SUMMARY:** This rule implements the provisions of section 301 of the Immigration Act of 1990, by amending 8 CFR part 242 to provide for the operation of the family unity program. The family unity program will grant an eligible immigrant who is a spouse or unmarried child under 21 years of age of a legalized alien (i.e., a temporary or permanent resident adjusted under sections 210, or 245A of the Immigration and Nationality Act, or a permanent resident under section 202 of the Immigration Reform and Control Act of 1986 (Cuban/Haitian Adjustment)), permission to remain in the United States, relief from deportation proceedings, if applicable, and employment authorization. In addition to the procedures for applying for family unity, this rule also references those forms and fees that are required as part of the application process. This rule also contains conforming amendments to other parts of title 8 of the Code of Federal Regulations.

**DATES:** Written comments must be submitted before September 30, 1991.

**ADDRESSES:** Please submit written comments, in triplicate, to the Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service, 425 I Street, NW., room 5304, Washington, DC 20536. To ensure proper handling, please reference the INS

number (1414-91) on your correspondence.

**FOR FURTHER INFORMATION CONTACT:** Michael L. Aytes, Director, Service Center Operations, Immigration and Naturalization Service, 425 I Street, NW., room 5250, Washington, DC 20536, telephone (202) 514-0106.

**SUPPLEMENTARY INFORMATION:** The Immigration Reform and Control Act of 1986 (IRCA), Public Law 99-603 was enacted on November 6, 1986. This Act provided for both a Legalization Program (section 201) and for a Special Agricultural Workers Program (section 302), under which certain unlawful aliens could legalize to lawful temporary resident status and then to lawful permanent resident status. In addition, section 202 provided for the adjustment to permanent residence of certain aliens from Cuba and Haiti. IRCA specifically provided eligibility requirements that each alien had to meet in order to receive legalization benefits; however there were no provisions made for any derivative immigration status for their spouses or children.

Shortly after the legalization application period began (May 1987), alien advocacy groups and others approached the Service with requests to address the problem of those family members of legalized aliens who did not qualify for legalization. The Service responded with the "Family Fairness" policy memorandum, issued in November 1987. The policy allowed for the Service's district directors to exercise the Attorney General's authority to defer deportation proceedings of an ineligible family member of a legalized alien for an indefinite period of time. The existence of certain compelling or humanitarian factors was required in addition to the family relationship and the hardship caused by separation. In addition, deportation was deferred for unmarried children in an unlawful status prior to November 6, 1986, who were under the age of 18 and resided with their legalized parents or parent, in the case of a single parent household.

On February 2, 1990, the policy was modified to defer deportation of an ineligible family member of a legalized alien, provided the ineligible family member had resided with the legalized alien parent since on or before November 6, 1986; was admissible as an immigrant to the United States, except

for documentary requirements; had not been convicted of a felony or three misdemeanors committed in the United States; and had not persecuted any person or person on account of race, religion, nationality, membership in a particular social group or political opinion. In addition, the policy dictated that no deportation proceedings would be instituted in the case of a child of a legalized alien born after November 6, 1986.

On November 29, 1990, the Immigration Act of 1990 (Pub. L. 101-649) was enacted. Section 301 provides for relief from deportation, and the granting of employment authorization for an eligible immigrant who is a spouse or unmarried child under 21 years of age of a legalized alien adjusted to temporary or permanent residence under sections 210 or 245A of the Immigration and Nationality Act, or section 202 of the Immigration Reform and Control Act of 1986 (Cuban/Haitian Adjustment). The eligible immigrant must have entered the United States before May 5, 1988, and have resided in the United States since that date, and have a qualifying relationship established before and since May 5, 1988. The Service believes that the Congressional purpose of the statute is best served by providing relief from deportation in the form of voluntary departure for an eligible immigrant who has not had a hearing before an immigration judge.

### Summary of the Proposed Rule

A new § 242.6 is being added to provide for the application process of the family unity program.

The following conforming amendments have also been made as a result of the new provisions.

Section 103.1(f)(2) is amended to reflect that the appellate jurisdiction of the Associate Commissioner, Examinations, is expanded to include decisions on applications for family unity benefits.

Section 103.7(b)(1) is amended to provide for a fee, consistent with 31 U.S.C. 9701 and the guidelines of the Office of Management and Budget in OMB Circular A-25, for an application for an initial grant of family unity benefits and for an application to extend family unity benefits.

Section 243.4 is amended to provide for the granting of a stay of deportation.

under certain conditions, upon a finding by the district director that an alien is eligible for family unity benefits.

Section 264.1(a) is amended to include the I-817, Application for Family Unity Benefits, as a prescribed registration form.

Section 274a.12(c)(12) is amended to include family unity aliens as aliens granted voluntary departure, who must apply for employment authorization, either prior to or after hearing.

Sections 299.1, 299.3, and 299.5 are amended to include Form I-817 in the list of prescribed forms, the list of forms available for purchase from the Superintendent of Documents, and the list of forms bearing control numbers.

In accordance with 5 U.S.C. 605(b), the Commissioner of the Immigration and Naturalization Service certifies that this rule does not have significant adverse economic impact on a substantial number of small entities. This rule is not considered to be a major rule within the meaning of section 1(b) of Executive Order 12291, nor does this rule have Federalism implications warranting preparation of a Federalism Assessment in accordance with Executive Order 12612.

The information collection requirements contained in this rule have been cleared by the Office of Management and Budget under the provisions of the Paperwork Reduction Act. Clearance numbers are contained in 8 CFR 299.5, Display of Control Numbers.

#### List of Subjects

##### 8 CFR Part 103

Administrative practice and procedure, Authority delegations (Government agencies), Freedom of Information, Privacy, Reporting and Recordkeeping Requirements, Surety Bonds.

##### 8 CFR Part 242

Administrative practice and procedure, Aliens, Crime.

##### 8 CFR Part 243

Administrative practice and procedure, Aliens, Deportation, Reporting and recordkeeping requirements.

##### 8 CFR Part 264

Aliens, Reporting and recordkeeping requirements.

##### 8 CFR Part 274a

Administrative practice and procedure, Aliens, Employment, Penalties, Reporting and recordkeeping requirements.

##### 8 CFR Part 299

Immigration, Reporting and recordkeeping requirements. Accordingly, chapter I of title 8 of the Code of Federal Regulations is proposed to be amended as follows:

#### PART 103—POWERS AND DUTIES OF SERVICE OFFICERS; AVAILABILITY OF SERVICE RECORDS

1. The authority citation for part 103 is revised to read as follows:

Authority: 5 U.S.C. 552, 552a; 8 U.S.C. 1101, 1103, 1201, 1255a note; 1304; 31 U.S.C. 9701; E.O. 12356, 47 FR 14874, 15557, 3 CFR, 1982 Comp., p. 166; 8 CFR part 2.

2. Section 103.1(f)(2) is amended by removing the "and" at the end of paragraph (xxxv); by removing the period at the end of paragraph (xxxvi) and adding in its place a semicolon followed by the word "and"; and by adding a new paragraph (xxxvii) to read as follows:

##### § 103.1 Delegations of authority.

- \* \* \*
- (f) \* \* \*
- (2) \* \* \*
- (xxxvii) Application for family unity benefits.
- \* \* \*

3. In § 103.7 paragraph (b)(1) is amended by adding in proper numerical sequence the following form:

##### § 103.7 Fees.

- \* \* \*
- (b) \* \* \*
- (1) \* \* \*

Form I-817. For filing application for family unity benefits. A fee of seventy-five dollars (\$75.00) is to be remitted in the form of a cashier's check, certified bank check or money order at the time of mailing to the Immigration and Naturalization Service.

#### PART 242—PROCEEDINGS TO DETERMINE DEPORTABILITY OF ALIENS IN THE UNITED STATES: APPREHENSION, CUSTODY, HEARING, AND APPEAL

4. The authority citation for part 242 is revised to read as follows:

Authority: 8 U.S.C. 1103, 1182, 1186a, 1252.

5. In part 242, a new section 242.6 is added to read as follows:

##### § 242.6 Family Unity Program.

(a) Except as otherwise specifically provided in paragraph (b) of this section, the definitions contained in the Immigration and Nationality Act shall apply to the administration of this section:

##### (b) Definitions.

As used in this section:

*Eligible immigrant* means a qualified immigrant who is the spouse or unmarried child under 21 years of age of a legalized alien.

*Entered into the United States before May 5, 1988*, means an arrival in the United States, either lawful or unlawful, and includes aliens who were paroled into the United States prior to May 5, 1988.

*Felony* means a crime committed in the United States, punishable by imprisonment for a term of more than one year, regardless of the term such alien actually served, if any, except: When the offense is defined by the State as a misdemeanor and the sentence actually imposed is one year or less regardless of the term such alien actually served. Under this exception, for purposes of 8 CFR 242.6, the crime shall be treated as a misdemeanor.

*Legalized Alien* means an alien lawfully admitted for:

- (i) Temporary or permanent residence under section 210 or 245A of the Immigration and Nationality Act, or
- (ii) Permanent residence under section 202 of the Immigration Reform and Control Act of 1986 (Cuban/Haitian Adjustment).

*Misdemeanor* means a crime committed in the United States, either:

- (i) Punishable by imprisonment for a term of one year or less, regardless of the term such alien actually served, if any, or
- (ii) A crime treated as a misdemeanor as defined in this section. For purposes of this definition, any crime punishable by imprisonment for a maximum term of five days or less shall not be considered a misdemeanor.

*Who is an eligible immigrant as of May 5, 1988*, means that the act which created the relationship between the eligible immigrant applying for family unity benefits and the legalized alien occurred as of May 5, 1988.

(c) *Eligibility*. An application for family unity benefits must be filed on Form I-817, Application for Family Unity. The following categories of aliens who are not permanent residents are eligible to apply for family unity benefits:

- (1) An alien who establishes that he or she is the spouse or child under 21 years of age of a legalized alien as defined in this section, and who entered the United States before May 5, 1988, and whose relationship to the legalized alien was established as of May 5, 1988, and who resided in the United States on May 5, 1988;

(2) An alien, otherwise eligible, who departed the United States and was paroled into the United States before May 5, 1988;

(3) An alien, otherwise eligible, who departed the United States and reentered the United States either lawfully or unlawfully before May 5, 1988.

(d) *Ineligible aliens.* The following categories of aliens are ineligible for family unity benefits:

(1) An alien who is in deportation proceedings based upon a ground found in section 241(a) of the Act that relates to a ground of exclusion described in paragraphs (2)(A), (B), and (C), and (3)(A), (B), (C), (D), and (E) of section 212(a) of the Act, except, the deportable grounds described in section 241(a)(1)(B), (a)(1)(C)(i), and (a)(3) of the Act;

(2) An alien who has been convicted of a felony, or three or more misdemeanors committed in the United States;

(3) An alien:

(i) Who has ordered, incited, assisted, or otherwise participated in the persecution of any person on account of race, religion, nationality, membership in a particular social group or political opinion;

(ii) Who has been convicted by a final judgment of a particularly serious crime, and therefore constitutes a danger to the community of the United States;

(iii) In whose case there are serious reasons for considering that he or she has committed a serious nonpolitical crime outside of the United States prior to arrival in the United States; or

(iv) In whose case there are reasonable grounds for regarding him or her as a danger to the security of the United States;

(4) An alien excludable under the provisions of section 212(a) of the Act that relate to a ground of exclusion described in paragraphs (2) (A), (B), and (C), and (3) (A), (B), (C), (D), and (E) of that section.

(e) *Filing of application.*—(1) *General.* An application must be filed on Form I-817, Application for Family Unity. It must be mailed to the designated Service Center having jurisdiction over the applicant's residence. A separate application (I-817) must be filed by each applicant claiming eligibility. It must be filed with the fee required by § 103.7 of this chapter and with the initial evidence requirements on the application form.

(2) *Proper filing.* A I-817 shall not be considered as properly filed unless it is signed by both the applicant and the legalized alien and the correct fee is attached. If the correct fee is not

included with the application, and/or the application is not signed, the application will be rejected and returned to the applicant. Such an application will not receive a processing date.

(3) *Initial evidence.* An application must be filed with initial evidence which establishes or seeks to establish the identity of the applicant; the lawful permanent resident status or lawful temporary resident status of the related legalized alien; the claimed relationship of the applicant to the legalized alien; the claimed residence in the United States; and the required photographs and fingerprint card. An application filed without the required initial documentary evidence to demonstrate a basis for filing will be denied for lack of initial evidence.

(2) *Processing.* Where an initial application has been accepted by the Service and additional information and/or documentation is required, the applicant shall be sent a notice to submit such information and/or documentation. In such case the application Form I-817 shall be retained at the Service Center. A failure to respond by the end of 60 days from the date of request for information and/or documentation will constitute an abandonment of the application and the application will be denied.

(5) *Interview.* An applicant may be requested to appear at the appropriate Service office for an interview in conjunction with his or her application. Interviews will be rescheduled only for emergent or compelling circumstances. An applicant failing to appear for a scheduled interview will be deemed to have abandoned his or her application and the application will be denied.

(6) *Applicability of exclusion grounds.* The provisions of section 212(a) of the Act that relate to the grounds of exclusion described in paragraphs (2)(A), (B), and (C), and (3)(A), (B), (C), (D), and (E) of that section apply to family unity applicants.

(7) *Waiver of grounds of exclusion.* (1) The Attorney General may waive the application of section 212(a)(2)(A)(i)(I), (B), and (C), and 212(a)(2)(A)(i)(II) of the Act insofar as it relates to a single offense of simple possession of 30 grams or less of marijuana, in the case of an alien who is the spouse or child under 21 years of age of an alien lawfully admitted for permanent residence under section 210 or 245A of the Act, or section 202 of the Immigration Reform and Control Act of 1986 (Cuban/Haitian Adjustment) if it is established to the satisfaction of the Attorney General that:

(A) The activities for which the alien is excludable occurred more than 15

years before the date of the alien's application for family unity; and

(B) The granting of such alien's application for family unity benefits would not be contrary to the national welfare, safety or security of the United States; and

(C) The alien has been rehabilitated.

(ii) An alien subject to a ground of exclusion set forth in paragraph (e)(7)(i) of this section that may be waived shall be advised of the procedures for applying for a waiver of grounds of excludability on Form I-724 (Application to Waive Exclusion Grounds). An application for waiver of grounds of excludability may be filed jointly with an application for family unity under this section or after an application for family unity has been submitted. All applications for waivers of grounds of excludability must be accompanied by the correct fee required by § 103.7(b) of this chapter. All fees for applications filed in the United States must be in the form of a money order, cashier's check, or bank check. No personal checks or currency will be accepted. An application for waiver of grounds of excludability under this part shall be approved or denied by the director of the Service Center in whose jurisdiction the applicant's application for family unity was filed. The applicant shall be notified of the decision and, if the application is denied, of the reason therefor. Appeal from an adverse decision under this part may be taken by the applicant on Form I-290B (Notice of Appeal to Commissioner) within 30 days after the service of the notice only to the Service's Administrative Appeals Unit pursuant to the provisions of § 103.3(a) of this chapter.

(8) *Exception of the applicability of section 212(a)(D)(i) of the Act.*

Paragraph 212(a)(3) (D)(i) of the Act is waived, without fee or application, for an eligible immigrant under this section.

(9) *Decision.* The applicant shall be notified in writing of the decision made on the application for family unity. If the application is denied, the decision and the reason therefore will be provided on Form I-292 (Decision). An application will not be denied based on adverse information not previously furnished to the Service by the alien if the alien is not provided an opportunity to rebut the adverse information and to present evidence in his or her behalf. If inconsistencies are found between information submitted with the application and information previously furnished to the Service, the applicant shall be afforded the opportunity to explain discrepancies or rebut any adverse information. A party affected

under this part by an adverse decision is entitled to file an appeal on Form I-290B. After exhaustion of an appeal, an applicant who believes that the grounds for denial have been overcome may submit another application with fee.

(10) *Appeal process.* An adverse decision under this section may be appealed to the Associate Commissioner, Examinations (Administrative Appeals Unit), the appellate authority designated in § 103.1(f)(2) of this chapter. Any appeal shall be submitted to the Service Center as required by § 103.3 of this chapter.

(11) *Motions.* Motions to reopen or reconsider will be filed pursuant to § 103.5 of this chapter.

(12) *Certifications.* In accordance with § 103.4 of this chapter, decisions can be certified to the Associate Commissioner, Examinations (Administrative Appeals Unit), when the case involves an unusually complex or novel question of law or fact. The decision on an appealed case subsequently remanded back to the Director of the Service Center will be certified to the Administrative Appeals Unit.

(13) *Referral of denied cases for consideration of issuance of Order to Show Cause (OSC).* If an application is denied and the decision is not appealed or, if appealed, the appeal is dismissed, the case will be referred to the district director having jurisdiction over the alien's place of residence for consideration of issuance of an Order to Show Cause. The case will not be referred until 60 days from the date the denial decision becomes final to allow for the possible submission of another I-817 application.

(14) *Grant of two-year period of voluntary departure.* An alien whose application for family unity is granted will receive a two-year period of voluntary departure. The two-year period will begin from the date the Service grants the application. Form I-94 (Arrival-Departure Record), specially stamped and annotated to reflect the period of voluntary departure and bearing a photograph of the alien, will be issued.

(15) *Employment Authorization.* An alien whose application for family unity is granted can make application for employment authorization on Form I-765 (Application for Employment Authorization). The application will be filed with the district director having jurisdiction over the alien's place of residence. Form I-765 must be accompanied by the correct fee required by § 103.7 of this chapter. An alien applying for employment authorization will be required to present Form I-94 reflecting the grant of voluntary

departure under the family unity program. The period of employment authorization will coincide with the period of voluntary departure.

(16) *Travel.* An alien whose application for family unity is granted who desires to travel outside the United States and return must make application for advance parole to the district director having jurisdiction over the applicant's residence. Form I-512 (Authorization for Parole of an Alien into the United States) will be issued to an alien whose application is granted. The authority to grant an application for advance parole for an alien granted family unity benefits rests solely with the district director. An alien who is granted advance parole will be subject to exclusion proceedings upon termination of the parole status.

(17) *Replacement of Form I-94.* An alien desiring to replace a previously issued I-94 shall file Form I-102 (Application by Non-Immigrant Alien for Replacement of Arrival Document). The application will be mailed to the designated Service Center having jurisdiction over the applicant's residence. Form I-102 must be accompanied by the correct fee.

(18) *Extension of two-year period of voluntary departure.* An alien desiring to extend his or her previous grant of voluntary departure shall file Form I-817. The application will be mailed to the designated Service Center having jurisdiction over the applicant's residence. Form I-817 must be accompanied by the correct fee as required by § 103.7 of this chapter. The Form I-94 reflecting the initial grant of voluntary departure need not be submitted with the Form I-817 when an alien applies for an extension, as it is the alien's proof of alien registration.

(f) *Temporary disqualification of certain eligible immigrants from receiving benefits from programs of financial assistance furnished under Federal law.* Aliens provided family unity benefits shall be ineligible for public welfare assistance in the same manner and for the same period as the legalized alien is ineligible for such assistance under section 245A(h) or 210(f), respectively, of the Immigration and Nationality Act.

(g) *Termination of eligible immigrant benefits—(1) General.* The benefits bestowed on an alien under § 242.6, may be terminated upon the occurrence of any of the following:

(i) It is determined that the granting of family unity benefits was the result of fraud or willful misrepresentation of a material fact;

(ii) The alien commits an act which renders him or her inadmissible as an

immigrant, unless a waiver is secured pursuant to § 242.6 (e) (7);

(iii) The alien is convicted of any felony, or three or more misdemeanors in the United States; or

(iv) The alien no longer meets the definition of "eligible immigrant" as defined in § 242.6(a)(1).

(2) *Procedure—(i) General.*

Termination under paragraph (g)(1) of this section will be made only on notice to the alien sent by certified mail directed to his or her last known address, or to his or her representatives, if the alien is represented. The alien must be given an opportunity to offer evidence in opposition to the grounds alleged for termination of family unity benefits. Evidence in opposition must be submitted within 30 days after the service of the Notice of Intent to Terminate. If the alien's family unity benefits are terminated, the director of the Service Center shall notify the alien of the decision and the reasons for the termination, and further notify the alien that any Service Form I-94, Arrival-Departure Record previously issued to the alien will be declared void by the director of the Service Center within 30 days. Such I-94 must be surrendered without delay to an immigration officer or to the issuing office of the Service if no appeal of the termination decision is filed within that period.

(ii) *Appeal process.* (A) A decision to terminate family unity benefits under § 242.6 may be appealed to the Associate Commissioner, Examinations (Administrative Appeals Unit), the appellate authority designated in § 103.1(f)(2) of this chapter. Any appeal shall be submitted to the Service Center with the required fee within 30 days after service of the notice of termination in accordance with the procedures of § 103.3(a) of this chapter. An appeal received after the 30-day period has tolled will not be accepted. The 30 day period for submitting an appeal begins three days after the notice of termination is mailed.

(B) If a review of the Record of Proceeding (ROP) is requested by the alien or his or her legal representative and an appeal has been properly filed, an additional 30 days will be allowed for this review from the time the Record of Proceeding is photocopied and mailed.

(C) A brief may be submitted with the appeal form or submitted up to 30 calendar days from the date of receipt of the appeal form at the Service Center. Briefs filed after submission of the appeal should be mailed directly to the Service Center. For good cause shown, the time within which a brief supporting



an appeal may be submitted may be extended by the Administrative Appeals Unit.

(D) When an appeal to the Associate Commissioner, Examinations (Administrative Appeals Unit), has been filed, the Administrative Appeals Unit may issue a new decision that will grant the benefit which has been requested. The director's new decision must be served on the appealing party within 45 days of receipt of any brief and/or new evidence, or upon expiration of the time allowed for the submission of any brief.

(iii) *Motions.* Motions to reopen or reconsider will be filed pursuant to § 103.5 of this chapter.

(3) *Effect of Termination.* Termination of family unity benefits shall act to return an alien previously granted benefits to the status previously held and render him or her amenable to exclusion or deportation proceedings under section 212 or 242 of the Act as appropriate.

#### PART 243—DEPORTATION OF ALIENS IN THE UNITED STATES

6. The authority citation for Part 243 is revised to read as follows:

Authority: 8 U.S.C. 1103, 1252, 1253; 8 CFR part 2.

7. Section 243.4 is amended by designating the existing paragraph as (a) and adding a new paragraph (b) to read as follows:

##### § 243.4 Stay of deportation.

(b) An alien who establishes to the satisfaction of the district director that he or she is eligible for family unity benefits will be granted a stay of deportation for such time and under such conditions as the district director may deem appropriate, if the deportation proceedings are based on a deportable ground described in sections 241(a)(1)(B), (a)(1)(C)(i), and (a)(3) of the Act, and the alien has not been convicted of a felony, or three or more misdemeanors committed in the United States, and it is determined that:

(1) The alien did not order, incite, assist, or otherwise participate in the persecution of any person on account of race, religion, nationality, membership in a particular social group or political opinion;

(2) The alien has not been convicted by a final judgment of a particularly serious crime;

(3) There are not serious reasons for considering that the alien has committed a serious nonpolitical crime outside of the United States prior to his or her arrival in the United States; or

(4) There are not reasonable grounds for regarding the alien as a danger to the security of the United States.

#### PART 264—REGISTRATION AND FINGERPRINTING OF ALIENS IN THE UNITED STATES

8. The authority citation for Part 264 is revised to read as follows:

Authority: 8 U.S.C. 1103, 1201, 1201a, 1301–1305.

9. In § 264.1 paragraph (a) is amended by adding in proper numerical sequence the following form:

##### § 264.11 Registration and fingerprinting.

(a) \* \* \*

I-817, Application for Family Unity Benefits.

#### PART 274A—CONTROL OF EMPLOYMENT OF ALIENS

10. The authority citation for part 274a is revised to read as follows:

Authority: 8 U.S.C. 1101, 1103, 1324a; 8 CFR part 2.

##### Subpart B—Employment Authorization

11. Section 274a.12(c)(12) is revised to read as follows:

##### § 274a.12 Classes of aliens authorized to accept employment.

(c) \* \* \*

(12) Any deportable alien granted voluntary departure, either prior to or after hearing, for reasons set forth in § 242.5(a)(2) (v), (vi), (viii), or § 242.6 of this chapter may be granted permission to be employed for that period of time prior to the date set for voluntary departure including any extension granted beyond such date. Factors which may be considered in adjudicating the employment application of an alien who has been granted voluntary departure are the following:

(i) The length of voluntary departure granted;

(ii) The existence of a dependent spouse and/or children in the United States who rely on the alien for support;

(iii) Whether there is a reasonable chance that legal status may ensue in the near future; and

(iv) Whether there is a reasonable basis for consideration of discretionary relief.

#### PART 299—IMMIGRATION FORMS

12. The authority citation for part 299 is revised to read as follows:

Authority: 8 U.S.C. 1101, 1103; 8 CFR part 2.

13. Section 299.1 is amended by adding in proper numerical sequence the following form:

##### § 299.1 Prescribed forms.

\* \* \* \* \*

I-817 (-/-/-)—Application for Family Unity Benefits.

\* \* \* \* \*

14. Section 299.3 is amended by adding in proper numerical sequence the following form:

##### § 299.3 Forms available from the Superintendent of Documents.

\* \* \* \* \*

Form No.	GPO stock No. (S/N)	Price per 100/pad
I-817.....	S/N.....	00.00/100

\* \* \* \* \*

15. Section 299.5 is amended by adding in proper numerical sequence the following form:

##### § 299.5 Display of control numbers.

\* \* \* \* \*

INS form No.	GPO stock No. (S/N)	Currently assigned OMB Control No.
I-817.....	Application for Family Unity Benefits.	1115-0166

Dated: August 22, 1991.

Gene McNary,

Commissioner, Immigration and Naturalization Service.

FR Doc. 91-20733 Filed 8-29-91; 8:45 am]

BILLING CODE 4410-10-M

#### 8 CFR Part 214

[INS No. 1427-91]

#### Nonimmigrant Classes; Treaty Aliens, E Classification

**AGENCY:** Immigration and Naturalization Service, Justice.

**ACTION:** Proposed rule.

**SUMMARY:** The Immigration and Naturalization Service is proposing to codify its existing policy guidelines regarding the classification of nonimmigrant treaty aliens and to address changes made by the Immigration Act of 1990. The existing guidelines were developed in close consultation with the Department of



State, which shares the responsibility for implementing the treaty-alien provision of the Immigration and Nationality Act (Act). The rulemaking would affirm the established policy and ensure its consistent application by the field offices.

**DATES:** Written comments must be submitted on or before October 15, 1991.

**ADDRESSES:** Please submit comments in triplicate to the Records Systems Division, Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service, 425 I Street, NW., room 5304, Washington, DC 20536. To ensure proper handling please reference INS number 1427-91 on your correspondence.

**FOR FURTHER INFORMATION CONTACT:** Pearl B. Chang, Senior Immigration Examiner, Immigration and Naturalization Service, 425 I Street, NW., room 7122, Washington, DC 20536, telephone (202) 514-3240.

**SUPPLEMENTARY INFORMATION:**

**Background**

The Immigration and Naturalization Service shares the responsibility for implementing the treaty alien provision of the Immigration and Nationality Act with the Department of State (DOS). In close consultation with DOS, the Service formulated its current policy for the admission and classification of treaty aliens (traders and investors) guided by the decisions of the courts and the Board of Immigration Appeals.

Because the Service's policy on treaty aliens is not clearly described in its current regulation, its field officers must seek guidance from the Department of State's Foreign Affairs Manual (FAM) when adjudicating applications for treaty alien status. Many field offices have requested that the Service publish its own treaty alien regulations.

**Provisions of the Immigration Act of 1990**

Section 204 of the Immigration Act of 1990 (IMMACT 90), Public Law 101-649, which amends the Immigration and Nationality Act, provides that the Secretary of State shall define the term "substantial trade" or "substantial investment" after consultation with appropriate agencies. Section 101(a)(15)(E) of the Act as amended by IMMACT 90 also expands trading activities to include trade in services or technology. In addition, IMMACT 90 provides for the grant of treaty country status to Australia and Sweden for purposes of section 101(a)(15)(E) of the Act, provided that these two countries offer reciprocal nonimmigrant treatment to nationals of the United States.

**Proposed Rule**

This proposed rule includes procedures for the implementation of these provisions. It should be noted that in December, 1988, the Service already revised its previous regulations at 8 CFR 214.2(e) to include the exchange, purchase, or sale of goods and services, and the transfer of technology, in its definition of trade.

The proposed rule basically reiterates and reaffirms the Service's current policy regarding treaty aliens. While following closely the standards established by the Secretary of State for determining substantial trade or investment, as stipulated by the statute, the Service also maintains its own view of several other key points.

The following is a discussion of the major features of the proposed rule.

**1. Substantial Investment by an E-2 Treaty Investor**

The statute requires that a treaty investor come to the United States "solely to develop and direct operations of an enterprise in which he or she has invested, or of an enterprise in which he or she is in the process of investing a substantial amount of capital" (8 U.S.C. 1101(a)(15)(E)(ii)). The "substantial amount of capital" requirement is met so long as the alien does not seek to invest a small amount of capital in a marginal enterprise solely to earn a living (22 CFR 41.51). Notes to 22 CFR 41.51 in the Foreign Affairs Manual provide that an alien seeking treaty investor status must show that the investment is a substantial proportion of the total value of the business or the starting cost of the business in the United States, and that the investment is not the main source of a living. The Foreign Affairs Manual explains that the substantiality of an investment should be determined by the investor's ability to meet the "proportionality test" and the "marginality test", and not by a fixed dollar amount. The "proportionality test" seeks to establish that the investor has invested a substantial amount of capital and the "marginality test" seeks to establish that the investor has not invested a small amount in a marginal enterprise solely to earn a living.

**i. The Proportionality Test**

The Foreign Affairs Manual states that the "proportionality" test weighs the amount invested against either (1) the total value of the particular enterprise in question, or (2) the amount normally considered necessary to establish a viable enterprise of the nature contemplated. The Foreign Affairs Manual further states that the

term "substantial" in small to medium-sized businesses connotes an investment of more than half of the value of the enterprise, or an amount normally considered necessary to an enterprise. The "proportionality" test is designed to be flexible enough to accommodate different types of business investments. To assure consistent adjudications, the Service proposes that adoption of an inverted sliding scale which is based on the guidelines of the Department of State. Under this scale, the lower the value of the business enterprise, the higher the percentage of actual investment required. For a business investment with a total value of less than five hundred thousand dollars (\$500,000), the investor must have invested at least 75% of the total value of the business. For a business enterprise with a total value of less than three million dollars (\$3,000,000) but more than five hundred thousands dollars (\$500,000), the investor must have invested at least 50% of the total value of the business. Similarly, an investor with a business enterprise which is valued at more than three million dollars (\$3,000,000) is required to have minimally invested 30% of the total value. The inverted sliding scale is not applicable where it concerns large foreign corporations. Multimillion dollar investment by a large foreign corporation is usually deemed substantial. The inverted sliding scale permits the determination of substantiality on more specific terms without requiring a fixed minimum-dollar amount.

However, the inverted sliding scale is not intended to be a rigid, bright-line test. It should only be utilized to calculate the approximate percentage of required minimum investments in business enterprises of different sizes.

**ii. Marginal Investment**

The case law establishes that an investment in a marginal business solely to provide a living does not entitle an alien to the status of a E-2 treaty investor. *Kun Young Kim v. District Director*, 586 F.2d (9th Cir. 1978). Thus, an alien seeking treaty alien status must demonstrate that the business investment has the capacity, or potential, in the case of a new business, to generate an income which is significantly greater than subsistence. [Ibid.] If the income capacity test described above is not conclusive, it may be necessary to consider other factors. For example, an investment would be deemed marginal if the income likely to be derived therefrom was minimal and the investor's primary

function would be as skilled or unskilled laborer. A business investment which offers employment opportunities for United States workers should also be given favorable consideration. However, the employment of United States workers does not by itself warrant the grant of treaty alien status, if it is a small investment in a marginal business solely to provide a living. [Id.] Accordingly, a marginal-income-generating business with little chance for growth does not qualify as a substantial investment despite the employment of low-waged, unskilled United States laborer.

When adjudicating treaty investor applications, the following factors might all be considered: The amount of income from the investment; the relation between the investment and the total value of the business; employment opportunities for United States workers; potential for growth of the business; and the presence of significant income from other sources which the alien may rely on for a living.

## 2. Training of United States Workers

Economic growth and employment opportunities for United States workers are two significant factors in the Service's consideration for treaty alien status for employees with special qualifications or skills. Applications for E-1/E-2 employee treaty alien status may be given favorable consideration, however, where there is a proven shortage of United States workers trained with similar skills.

Where a shortage of skilled United States workers has been identified by a reliable source, such as a chamber of commerce, a state employment agency, labor organizations or trade associations, the treaty employer has the responsibility of providing effective training. The treaty employer is expected to provide in-house operational training to United States workers in the relevant skills so that they can qualify for these jobs in a reasonable length of time. Requests for extension of stay or change of status by an essential employee with special qualifications will be approved only if the applicant can establish that the employer has made a good faith effort to train United States workers. When the transfer of skills is not feasible due to exceptional circumstances, the burden of proof lies with the employer.

## 3. Dual Intent

Although section 101(a)(15)(E) of the Act states that a treaty alien must have the intent to depart the United States upon conclusion of his or her commercial activities, it does not require

that the treaty alien maintain a permanent residence abroad. Based on the absence in the statute of the phrase "having a residence in a foreign country which he has no intention of abandoning," which is present for most other nonimmigrant categories, the Service holds that a treaty alien's desire to seek permanent residence at some future date does not deny him or her nonimmigrant status. Thus, a treaty alien may legitimately have a dual intent to come to the United States temporarily as a nonimmigrant and to seek permanent residence at a later time. The approval of a labor certification or the filing of a preference petition by itself is not a ground for denial of an application for initial admission, change of status, or extension of stay.

## 4. Change of Employment

Whenever an E-1/E-2 treaty alien changes employers in the United States, he or she must request advance approval from the Service. For purposes of requesting approval for change of employer under 8 CFR 214.2(e), the term "employer" is defined by 8 CFR 274a.1(g) as a person or entity who engages the services or labor of an employee to be performed in the United States for wages or other remuneration. In the case of an independent contractor or contract labor or services, the term "employer" shall mean the independent contractor or contractor, and not the person or entity using the contract labor. Any unauthorized change to a new employer will constitute a violation of status within the meaning of section 241(a)(1)(C)(i) of the Act.

In accordance with 5 U.S.C. 605(b), the Commissioner of the Immigration and Naturalization Service certifies that this rule will not have a significant economic impact on a substantial number of small entities. This rule is not a major rule within the meaning of section 1(b) of Executive Order 12291, nor does this rule have Federalism implications warranting the preparation of a Federalism Assessment in accordance with Executive Order 12612.

The information collection requirements contained in this rule have been submitted to the Office of Management and Budget (OMB) for review under provisions of the Paperwork Reduction Act.

## List of Subjects in 8 CFR Part 214

Administrative practice and procedure, Aliens, Authority delegation (Government agencies), Employment.

Accordingly, part 214 of chapter I of title 8 of the Code of Federal Regulations will be amended as follows:

## PART 214—NONIMMIGRANT CLASSES

1. The authority citation for part 214 continues to read as follows:

Authority: 8 U.S.C. 1101, 1103, 1184, 1186a, 1187, and 8 CFR part 2.

2. Section 214.2 is amended by revising paragraph (e) to read as follows:

### § 214.2 Special requirements for admission, extension, and maintenance of status.

\* \* \* \* \*

(e) *Treaty aliens*—(1) *Definitions*. As used in this section:

*Applicant* means a foreign national who is seeking initial classification or extension of stay as a treaty alien under the provisions of section 101(a)(15)(E) of the Act. If self-employed, such an individual would be seeking the E-1/E-2 treaty alien status on the basis of his or her own substantial trade or investment. A foreign national may also apply for an E nonimmigrant classification on the basis of qualifying employment with a primary treaty alien or a treaty company.

*Employee treaty alien* means an alien accorded treaty alien status pursuant to 8 CFR 214.2(e) on the basis of qualified employment with a primary treaty alien or a treaty company.

*Primary treaty alien* means an alien who is self-employed and who is qualified to employ other qualified treaty aliens under 8 CFR 214.2(e).

*Trade* means the exchange, purchase, or sale of goods and/or services. Goods are tangible commodities or merchandise having intrinsic value. Services are economic activities whose outputs are other than tangible goods. Such service activities include, but are not limited to, banking, insurance, transportation, communications and data processing, advertising, accounting, design and engineering, management consulting, tourism, and technology transfer.

*Treaty alien* means a foreign national who is described in and has been granted the status of either treaty trader or treaty investor under section 101(a)(15)(E) of the Act.

*Treaty company* means a foreign company which has the nationality of a treaty country and is qualified under 8 CFR 241.2(e) to employ eligible treaty aliens.

*Treaty country* means a foreign country which has signed a treaty of friendship, commerce, and navigation

with the United States, is described in section 204(b) of the Immigration Act of 1990 (Pub. L. 101-649), or has otherwise been accorded such status.

(2) *Admission or treaty aliens*—(i) *Primary treaty aliens.* Under the provisions of section 101(a)(15)(E) of the Act, nationals of a foreign country having a treaty of friendship, commerce and navigation with the United States may enter this country to engage in commercial activities pursuant to the terms of the treaty. These foreign nationals are classifiable as treaty aliens, specifically, E-1 treaty traders or E-2 treaty investors. An E-1 treaty trader is a treaty alien who comes to the United States solely to carry on substantial trade, principally between the United States and the treaty country. An E-2 treaty investor is a treaty alien who enters the United States solely to direct and develop the operations of an enterprise in which he or she has invested or is in the process of investing substantially.

(ii) *Employee treaty aliens.* As provided by paragraph (e)(6) of this section, certain employees of a qualified E-1 or E-2 treaty alien or treaty company are also classifiable as E-1 treaty traders or E-2 treaty investors. Under this provision, a qualified employee may either be an executive or a manager, or an individual with specialized qualifications that are essential to the efficient operation of the employer's business enterprise. An employee who qualifies as an E-1 or E-2 treaty alien under the provisions of paragraph (e)(6) of this section must have the same nationality as the qualified employer.

(iii) *Spouse and dependent children.* The spouse or dependent children of a treaty alien may be granted derivative E status regardless of their nationality when accompanying or following to join the primary treaty alien.

(3) *Classification criteria for the primary treaty alien or the employer*—(i) *Nationality.* A primary treaty alien or employer must have the nationality of a treaty country. If the employer is a foreign corporation, the nationality of the business enterprise shall be that of its ownership. To establish treaty nationality, the applicant must demonstrate that 50% or more of the stock of the corporation is owned by shareholders of the same treaty nationality. When determining the nationality of a corporation, stock shares owned by legal permanent residents of the United States must not be counted as foreign-owned. The nationality of a public firm is presumed to be that of the country in which the firm's stock is initially listed and traded

on the stock exchange, if it cannot be determined by the actual percentage of shares of stock owned by persons of the treaty nationality. The burden of demonstrating the necessary treaty nationality is on the applicant.

(ii) *Substantial trade or investment.* A primary treaty alien or employer must demonstrate that he or she is conducting substantial trade with the United States or that he or she has come to direct and develop a substantial investment in the United States. The specific requirements for substantial trade or investment are set forth respectively in paragraphs (e)(4) and (e)(5) of this section.

(4) *Substantial trade requirement for the primary treaty alien or the employer.* An applicant for E-1 status must demonstrate that the qualifying business enterprise is engaging in substantial trade between the United States and the treaty country of which the applicant is a national. This test is satisfied if a business enterprise can prove:

(i) That its trading activities with the United States comprise more than 50% of its total volume of trade in the United States; and

(ii) That there is a continued course of international trade. Trade in a substantial volume may be established by demonstration of continued and frequent business transactions, including business commitments scheduled for implementation at a future time. There is no minimum requirement for the monetary value or volume of each individual business transaction. An application for E-1 treaty trader status will not be approved on the basis of a single business transaction, however protracted or great in monetary value.

(5) *Substantial investment requirement for the primary treaty alien or the employer.* An applicant for E-2 treaty investor status must satisfy all of the following tests:

(i) *Real operating enterprise.* (A) The investment must be a real operating business enterprise which generates services or goods. Speculative or idle investment in undeveloped land, stocks, research facilities, market research, or non-profit organizations, is not deemed substantial investment. If the business enterprise is not already in operation, financial commitments must have been made and all preparatory work must be near completion. An intent to invest a large amount of capital at some future time does not constitute an investment in process.

(B) An investor is considered to have a true business investment only if it is made with personal funds or assets. The investor must put the invested personal funds at risk of potential business loss.

An applicant is deemed to have invested only to the extent that investment funds are put at risk. Loans secured with the assets of the investment enterprise itself may not be counted toward the actual amount of capital invested.

(ii) *Direction and development.* An investor in E-1 status is admitted into the United States solely to direct and develop the business in which he or she has invested or is in the process of investing substantially. In order to direct and develop that business, a primary treaty investor must have control of that business. An applicant can prove control of the U.S. business investment by showing more than 50% ownership. An equal partner generally does not have control of the business enterprise except in a 50/50 equal partnership or joint venture, where an applicant is guaranteed veto power, thus equal control. On the other hand, a foreign national or entity owning less than 50% of the corporate stock of a U.S. business investment may sometimes have de facto control through proxy voting or equal responsibility of management. The burden of establishing the ability to control the investment rests solely with the applicant.

(iii) *Proportionality.* The investment must be a significant proportion of the total value of the business enterprise in the United States, or in the case of a new business, a significant proportion of the starting cost of the business. The required percentage of investment is in proportion to the total value or starting cost of the business enterprise. The lower the total value or the starting cost, the higher the required percentage of investment. To calculate the approximate minimum percentage of required investment, the inverted sliding scale shown in this paragraph should be consulted. While this inverted sliding scale provides guidelines on how to determine the necessary amount of investment, it is not intended to be a rigid, bright-line test.

Total value of business or cost to start new business	Minimum percentage of investment required (percent)
Less than \$500,000 .....	75
\$500,000 to \$3,000,000 .....	50
More than \$3,000,000 .....	30

(Multimillion-dollar investments by large foreign corporations are usually deemed substantial and are not bound by this scale.)

(iv) *Marginal investment.* An applicant is not entitled to E-2 status if

he or she invests in a marginal business solely to provide a living. This is true even if the investment meets the proportionality test. To establish that the business is more than marginal, the applicant must show that the business has the capacity, or potential in the case of a new business, to generate an income that is significantly greater than subsistence. However, a business may generate a minimal income and still meet the marginality test if it offers employment opportunities for United States workers and if the investor is not and will not be primarily self-employed as a skilled or unskilled laborer. Even though the employment of United States workers is a favorable factor, it does not automatically make an otherwise inadequate investment acceptable if it is merely providing a living for the investor.

(6) *Classification criteria for employee treaty alien.* The applicant must have the same nationality as the qualified employer. In addition, he or she must be either a manager or an executive or an essential employee with special qualifications employed in a responsible capacity.

(i) *Treaty country nationality.* An employee applicant who is seeking E-1/E-2 nonimmigrant status on the basis of employment with a qualified employer pursuant to paragraph (e)(2)(ii) of this section must have the same treaty nationality as the employer. The employer, if residing in the United States, must be maintaining status as a treaty trader or investor. A permanent resident may not be the employer of a treaty alien. The treaty alien status of an employee terminates when the primary treaty alien becomes a permanent resident.

(ii) *Executive or managerial positions.* The position must be in a managerial or executive capacity. Such an applicant must possess managerial skills and experience and should be in a position of authority and responsibility. Consideration should be given to the salary and position title, its place in the overall organizational structure, the duties involved, the extent of control the position has over the operations of the company as a whole, and the number and level of other employees the applicant supervises, if any. A managerial or executive employee should primarily be responsible for making discretionary decisions, setting organizational policies, directing and managing business operations, and perhaps supervising other professional, supervisory or managerial personnel. Should the position require some routine work usually performed by a staff

employee, such functions may only be of an incidental nature.

(iii) *Essential employees with special qualifications.* (A) The applicant must be an employee with specialized knowledge or unique skills that are essential to the effective operation of the United States based business enterprise. The applicant must be employed in a responsible capacity which requires independent judgment, creativity, training or supervision of other workers, and should not be employed to do the routine work that could be performed by skilled labor. As an essential employee with special qualifications, the applicant must have a high level of expertise or proprietary knowledge of the employer's business operations. Knowledge of a foreign language and culture by itself does not meet the special knowledge requirement. Special knowledge required for this kind of employment must not be readily available in the United States labor market.

(B) In determining eligibility as an employee with special qualifications, the following factors must be considered: the degree of proven expertise in the area of the applicant's specialization, the uniqueness of the specific skills, the period of training needed to perform the contemplated duties, the salary the special expertise can command, and the length of experience or training with the firm, if the applicant's qualifications are mainly proprietary knowledge.

(iv) *Highly trained technicians.* The applicant is a highly trained and specially qualified technical employee of a treaty company who is transferred from an overseas office to train and supervise technicians employed in manufacturing, maintenance and repair functions.

(v) *Start-up personnel.* The applicant is a specially-qualified employee of a foreign company who is brought into the United States for the start-up of a business investment. This provision is not available to treaty traders since their eligibility for E-1 status is based on existing trade.

(7) *Special considerations relating to essential employees with special qualifications.* When determining eligibility for the status of an essential E-1 or E-2 employee with special qualifications, consideration should be given to the availability of United States workers. Where qualified United States workers are unavailable, the employer must demonstrate an effort to train United States workers.

(i) *Availability of United States workers.* When determining the

eligibility of an applicant to E-1/E-2 status as an essential employee with specialized knowledge or unique skills, the Service shall take into consideration the availability of United States workers trained with similar skills. The Service will approve the application for E-1/E-2 status as an essential employee only if the employer can demonstrate that qualified United States workers are unavailable to do the job. To assist the Service in assessing the United States labor market, the treaty company may be asked to provide statements from relevant public or private sources, such as chambers of commerce, labor organizations, industry trade sources, or state employment agencies.

(ii) *Transfer of skills to United States workers.* Where a shortage of skilled United States workers has been verified as in paragraph (e)(6)(ii) of this section, the employer has the responsibility to provide effective training to United States workers in the relevant skill areas. Applications for extension of stay or change of status by an essential employee with special qualifications pursuant to paragraphs (e)(6)(iii) through (v) of this section will be approved only if the employer is making an effort to train United States workers. The treaty company should provide in-house operational training to otherwise qualified United States workers so that the United States workers can replace the foreign employees within a reasonable time. All skills are considered transferable except in unusual circumstances. Where the transfer of skills is not feasible, the applicant has the burden of proof.

(8) *Supporting documents.* To establish the foreign national's entitlement to E-1 treaty trader or E-2 treaty investor status, supporting documents should be filed with the Form, I-129, Petition for Nonimmigrant Workers as specified in paragraphs (e)(8) and (e)(9) of this section. Recommended forms of supporting documents include but are not limited to the following:

(i) *Substantial trade.* Submit three or more of these documents as necessary: bills of lading, customs receipts, letters of credit, insurance papers documenting commodities imported, purchase orders, carrier inventories, trade brochures, sales contract;

(ii) *Substantial investment and business ownership.* Submit one or more of these documents as necessary: Partnership agreements (with a statement on proportionate ownership), articles of incorporation, payments for the rental of business premises or office equipment, business licenses, stock

certificates, office inventories (goods and equipment purchased for the business), insurance appraisals, advertising invoices, annual reports, net worth statements from certified professional accountants, business bank accounts containing funds for routine operations, funds held in escrow;

(iii) *Nationality and ownership.*

Submit one or more of these documents: lists of investors with current status and nationality, stock certificates of ownership issued by the commercial section of a foreign embassy, and reports from a certified professional accountant;

(iv) *Qualifications of an E-1/E-2 employee.* Submit one or more of these documents as necessary: documents that evidence special knowledge, skills, training, or education, such as certificates, diplomas or transcripts, letters from employers fully describing job titles, duties, and the level of education and knowledge required for the employee's position, and operators' manuals.

(9) *Extension of stay.* (i) A treaty alien may be admitted for an initial period of no more than one year and may be granted extensions of stay in increments of no more than two years. An application for extension of stay must be made on Form I-129 and filed with the service center having jurisdiction over the residence of the treaty alien.

(ii) The spouse and minor children of the primary treaty alien requesting extension of stay concurrently with the primary treaty alien must file a separate application on Form I-539, Application to Extend Time of Temporary Stay, with appropriate fee. Extensions of stay may be granted to the same date as the primary alien.

(iii) An E-1/E-2 spouse or dependent child of a primary treaty alien who is maintaining status may independently request extension of stay on Form I-539 accompanied by the primary alien's Form I-94. The request for extension may be approved only if the primary alien is maintaining his or her nonimmigrant treaty alien status. Extensions may be granted to the date of the primary alien's authorized stay as indicated on the Form I-94.

(iv) *Duration of assignment.* With few exceptions, personnel with special qualifications who are responsible for training and/or business start-up as prescribed in paragraphs (e)(6)(iv) and (v) of this section should be able to complete their objectives within one to two years.

(10) *Dual intent.* (i) A treaty alien must have the intent to depart the

United States upon conclusion of the commercial activities prescribed by section 101(A)(15)(E) of the Act. An applicant for an E-1 or E-2 visa is not required to establish that his or her stay in the United States is of temporary duration or that he or she has a permanent residence abroad. A clear expression of intent to depart the United States upon termination of E-1 or E-2 status is normally deemed sufficient for the purpose of verifying the applicant's bona fides as a nonimmigrant.

(ii) By itself, the approval of a labor certification or the filing of a preference petition is not a ground for denial of an E-1/E-2 treaty alien's application for initial admission, change of status, or extension of stay.

(11) *Change of employment.* (i) Advance approval by the Service is required whenever an E-1 or E-2 treaty alien changes employers in the United States. This is true regardless of the geographic location of the job or the position title to which the treaty alien is transferred. Service approval is required whenever an E-1/E-2 treaty alien relocates in the United States from one independent subsidiary to another even if the responsibilities and position title remain the same.

(ii) Service approval is not necessary if the E-1 or E-2 treaty alien is transferred to a comparable position within the same company. A comparable position is one which entails similar duties and is of equal or higher level of responsibility.

(iii) A trader or investor may change from one employer to another after a written request for permission to do so has been approved by the director having jurisdiction over the alien's resident. The requester must submit evidence of eligibility for treaty trader or investor status in the new employment. Any unauthorized change to a new employer will constitute a failure to maintain status within the meaning of section 241(a)(1)(C)(i) of the Act. To request Service permission to change employers, an E-1 or E-2 treaty alien must submit a written request with a completed Form I-129, Petition for Nonimmigrant Workers.

(12) *Application for change of status to E-1 or E-2.* An application for change of status must be filed on Form I-129 along with appropriate supporting documentation. The spouse and minor children of the primary treaty alien requesting derivative E-1/E-2 status may concurrently file a request for change of status on Form I-539, with fee. The request for E-1/E-2 derivative status may be approved only if the

primary alien is granted treaty alien status.

(13) *Employment.* (i) A treaty alien in E-1 or E-2 classification may not engage in employment outside of what has been approved by the Service. Incidental work for a subsidiary of the same employer company is permitted, if the subsidiary independently qualifies as a treaty alien employer and the work performed requires managerial, executive or essential skills.

(ii) The spouse and dependent child of an E-1/E-2 treaty alien are not authorized to work in the United States. An E-1/E-2 dependent spouse or child who engages in unauthorized employment is in violation of his or her nonimmigrant treaty alien status for consideration under sections 248 and 245(c) of the Act.

(14) *List of treaty countries.* (i) *Treaties of Friendship, Commerce, and Navigation (FCN).* Foreign nationals of the following countries may be authorized E-1 or E-2 treaty alien status on the basis of existing FCN treaties with the United States if they are otherwise qualified: Argentina, Austria, Belgium, Bolivia\*, Brunei\* (Borneo), Canada, China (Taiwan only), Colombia, Costa Rica, Denmark\*, Estonia\*, Ethiopia, Finland\*, France, Federal Republic of Germany, Greece\*, Honduras, Iran, Ireland\*, Israel\*, Italy, Japan, Korea, Latvia\*, Liberia, Luxembourg, Netherlands, Norway, Oman, Pakistan, Paraguay, Philippines, Spain, Suriname, Switzerland, Thailand, Togo, Turkey\*, United Kingdom, and Yugoslavia. Nationals of countries followed by an asterisk are eligible for treaty trader status only.

(ii) *Bilateral Investment Treaties (BIA).* Eligible nationals of the following countries are entitled to E-2 treaty investor status: Bangladesh, Cameroon, Egypt, Grenada, Morocco, Senegal, Turkey, and Zaire.

(iii) *Reciprocity.* for purposes of section 101(a)(15)(E) of the Act, eligible nationals of countries which offer reciprocal nonimmigrant treatment to nationals of the United States shall be considered treaty countries.

\* \* \* \* \*

Dated: April 1, 1991.

Gene McNary,  
Commissioner, Immigration and  
Naturalization Service.

[FR Doc. 91-20792 Filed 8-29-91; 8:45 am]

BILLING CODE 4410-10-M

**DEPARTMENT OF TRANSPORTATION****Federal Aviation Administration****14 CFR Parts 21 and 29**

[Docket No. 91-ASW-3; Notice No. SC-91-3-SW]

**Special Conditions: Bell Helicopter Textron Model 412 SAR Helicopter, Integrated Flight Display System**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of proposed special conditions.

**SUMMARY:** This notice proposes special conditions for the Bell Helicopter Textron Model 412 SAR helicopter. This helicopter will have a novel or unusual design feature associated with the Integrated Flight Display System. The applicable airworthiness regulations do not contain appropriate safety standards for the requirements to protect critical function systems from the effects of external radio frequency energy sources. This notice contains proposed additional safety standards that the Administrator considers necessary to ensure that critical functions of systems in the Bell Helicopter Textron Model 412 SAR helicopter would be maintained.

**DATES:** Comments must be received on or before December 30, 1991.

**ADDRESSES:** Comments on this proposed special condition may be mailed in duplicate to: Federal Aviation Administration, Office of the Assistant Chief Counsel, Attention: Docket No. 91-ASW-3, Fort Worth, Texas 76193-0007, or delivered in duplicate to the Office of the Assistant Chief Counsel, Building 3B, room 158, 4400 Blue Mound Road, Fort Worth, Texas.

All comments must be marked Docket No. 91-ASW-3. Comments may be inspected in the Office of the Assistant Chief Counsel, at the address specified above, between 8 a.m. and 4 p.m., weekdays except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Mr. Carroll Wright, FAA, Rotorcraft Standards Staff, Regulations Group, Fort Worth, Texas 76193-0111; telephone (817) 624-5121.

**SUPPLEMENTARY INFORMATION:****Comments Invited**

Interested persons are invited to participate in the making of these proposed special conditions by submitting such written data, views, or arguments as they may desire. Communications should identify the regulatory docket or notice number and be submitted in duplicate to the address

specified above. All communications received on or before the closing date for comments will be considered by the Administrator before taking action on this proposal. The special conditions proposed in this notice may be changed in light of comments received. All comments received will be available, both before and after the closing date for comments, in the Regional Rules Docket for examination by interested parties. A report summarizing each substantive public contact with FAA personnel concerning this rulemaking will be filed in the docket. Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must include a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket No. 91-ASW-3." The postcard will be date/time stamped and returned to the commenter.

**Background**

On June 8, 1990, Bell Helicopter Textron, Inc., Fort Worth, Texas, applied for an amendment to its Type Certificate No. H4SW to include the Search and Rescue (SAR) configuration. The Bell Helicopter Textron Model 412 is being modified to incorporate a dual 4-axis Digital Automatic Flight Control System with Search and Rescue Modes, an Integrated Flight Display System, and additional navigation systems. The Model 412 SAR will be a derivative of the Model 412 which is currently approved under Type Certificate No. H4SW. The Model 412 is a 14 passenger, two-engine, 11,900 pound transport category helicopter.

**Type Certification Basis**

The certification basis established for the Model 412 includes: FAR Part 29 dated February 1, 1965, Amendments 29-1 and 29-2, and portions of Amendment 29-3, specifically, 29.473, 29.501, 29.633, 29.771, 29.903(c), 29.1323, and 29.1505(b); Special Conditions 29-12-SW-1, Amendment 1; Exemption No. 3100 against FAR 29.1323(c); Category A engine isolation requirements; and Ditching in accordance with FAR 25.801 including FAR 29.1411 and 29.1415. Bell Helicopter Textron has elected to comply with portions of Amendments 29-4 through 29-30, specifically 29.151, 29.161, 29.610, 29.672, 29.1301, 29.1303, 29.1309, 29.1321, 29.1329, 29.1331, 29.1333, 29.1335, 29.1351, 29.1353, 29.1431, and appendix B.

Special conditions may be issued and amended, as necessary, as a part of the type certification basis if the Administrator finds that the airworthiness standards designated in accordance with § 21.101(b)(2) do not

contain adequate or appropriate safety standards because of novel or unusual design features of an aircraft or installation. Special conditions, as appropriate, are issued in accordance with § 11.49 after public notice, as required by §§ 11.28 and 11.29(b), effective October 14, 1980, and will become a part of the type certification basis, as provided by § 21.101(b)(2).

**Discussion**

The Bell Helicopter Textron Model 412 SAR helicopter, at the time of application, was identified as incorporating one and possibly more electrical/electronic systems that will be performing functions critical to the continued safe flight and landing of the helicopter. The Integrated Flight Display System performs the function of display of attitude. The display of attitude, altitude, and airspeed to the pilot is critical to the continued safe flight and landing of the helicopter for instrument flight rules (IFR) operations in Instrument Meteorological Conditions. When the design is finalized, Bell Helicopter Textron will provide the FAA with a preliminary hazard analysis that will identify any other critical functions performed by electrical/electronic systems.

Recent advances in technology have given rise to the application in aircraft designs of advanced electrical and electronic systems that perform functions required for continued safe flight and landing. These advanced systems are responsive to the transient effects of induced electrical current and voltage caused by the high intensity radiated fields (HIRF) incident on the external surface of the helicopter. These induced transient currents and voltages can degrade the performance of electronic systems by damaging the components or by upsetting the system's functions.

Furthermore, the electromagnetic environment has undergone a transformation not envisioned by the current application of the § 29.1309(a) requirement. Higher energy levels radiate from transmitters that are used for radar, radio, and television. Also, the number of transmitters has increased significantly.

Existing aircraft certification requirements are inappropriate in view of the aforementioned technological advances. In addition, the FAA has received reports of some significant safety incidents and accidents involving military aircraft equipped with advanced electronic systems when they were exposed to electromagnetic radiation.



The combined effects of the technological advances in helicopter design and the changing environment have resulted in an increased level of vulnerability of electrical and electronic systems required for the continued safe flight and landing of the helicopter. Effective measures against the effects of exposure to HIRF must be provided by the design and installation of these systems. The primary factors that have contributed to this increased concern are: (1) The increasing use of sensitive electronics that perform critical functions; (2) the reduced electromagnetic shielding afforded helicopter systems by advanced technology airframe materials; (3) the adverse service experience of military aircraft using these technologies; and (4) the increase in the number and power of radio frequency emitters and the expected increase in the future.

The FAA recognized the need for aircraft certification standards to keep pace with the developments in technology and environment and, in 1986, initiated a high priority program to: (1) Determine and define the electromagnetic energy levels; (2) develop and describe guidance material for design, test, and analysis; and (3) prescribe and promulgate regulatory standards. The FAA participated with industry and airworthiness authorities of other countries to develop internationally recognized standards for certification.

At this time, the FAA and airworthiness authorities of other countries have established a level of HIRF environment that a helicopter could be exposed to during IFR operations.

While the HIRF requirements are being finalized, the FAA is adopting special conditions for the certification of aircraft that employ electrical/electronic systems performing critical functions. The accepted maximum energy levels in which civilian helicopter system installations must be capable of operating safely are based on surveys and analysis of existing radio frequency emitters. This special condition would require that the helicopter be evaluated under these energy levels for the protection of the electronic system and its associated wiring harness. These external threat levels are believed to represent the worst-case exposure for a helicopter operating IFR.

The defined HIRF environment specified in this proposed special condition is based on many critical assumptions; among these is that with the exception of takeoff and landing at an airport, the aircraft would be not less than 500 feet above ground level (AGL).

Helicopters operating under visual flight rules (VFR) routinely operate at less than 500 feet AGL and perform takeoffs and landings at locations other than controlled airports. Therefore, it would be expected that the HIRF environment experienced by a helicopter operating VFR may exceed the given environment by twice or more.

This special condition would require qualification of systems that perform critical functions, as installed in aircraft, to either a defined HIRF environment or to a fixed value using laboratory tests.

The applicant may demonstrate that the operation and the operational capability of the installed electrical and electronic systems that perform critical functions are not adversely affected when the aircraft is exposed to the HIRF environment. The FAA has determined that the environment defined in Table I is acceptable for critical functions in helicopters operating not less than 500 feet above ground level (AGL). For critical functions in helicopters operating at altitudes less than 500 feet (AGL), additional considerations must be given.

The applicant may demonstrate by a laboratory test that the electrical and electronic systems that perform critical functions withstand a peak electromagnetic field strength in a frequency range of 10 KHz to 18 GHz. If a laboratory test is used to show compliance with the HIRF requirements, no credit would be given for signal attenuation due to installation. A level of 100 v/m and further considerations such as an alternate technology backup that is immune to HIRF are appropriate at this time for critical functions during IFR operations. A level of 200 v/m and further considerations such as an alternate technology backup that is immune to HIRF are more appropriate for critical functions during VFR operations.

For helicopters, the primary electronic flight displays are critical for IFR operations and a full authority digital engine control (FADEC) is an example of a critical functioning system for all operations (both IFR and VFR).

A preliminary hazard analysis must be performed by the applicant for approval by the FAA to identify electrical and/or electronic systems that perform critical functions. The term "critical" means those functions whose failure would contribute to or cause a failure condition that would prevent the continued safe flight and landing of the helicopter. The systems identified by the hazard analysis that perform critical functions are candidates for the application of HIRF requirements.

A system may perform both critical and noncritical functions. Primary electronic flight display systems and their associated components perform critical functions such as attitude, altitude, and airspeed indication. The HIRF requirements would only apply to critical functions.

Compliance with HIRF requirements would be demonstrated by tests, analysis, models, similarity with existing systems, or a combination thereof. Service experience alone would not be acceptable since such experience in normal flight operations may not include an exposure to the HIRF environmental condition. Reliance on a system with similar design features for redundancy as a means of protection against the effects of external HIRF is generally insufficient since all elements of a redundant system are likely to be exposed to the fields concurrently.

The modulation should be selected as the signal most likely to disrupt the operation of the system under test, based on its design characteristics. For example, flight control systems may be susceptible to 3 Hz square wave modulation while the video signals for electronic display systems may be susceptible to 400 Hz sinusoidal modulation. If the worst-case modulation is unknown or cannot be determined, default modulations may be used. Suggested default values are a 1 KHz sine wave with 80 percent depth of modulation in the frequency range from 10 KHz to 400 MHz and 1 KHz square wave with greater than 90 percent depth of modulation from 400 MHz to 18 GHz. For frequencies where the unmodulated signal would cause deviations from normal operation, several different modulating signals with various waveforms and frequencies should be applied.

Acceptable system performance would be attained by demonstrating that the system under consideration continues to perform its intended function during and after exposure to required electromagnetic fields. Deviations from system specification may be acceptable and would need to be independently assessed by the FAA for each application.

TABLE 1.—FIELD STRENGTH VOLTS/METER

Frequency	Peak	Average
10-500 KHz.....	80	80
500-2000 .....	80	80
2-30 MHz.....	200	200
30-100 .....	33	33
100-200 .....	33	33
200-400 .....	150	33

TABLE 1.—FIELD STRENGTH VOLTS/  
METER—Continued

Frequency	Peak	Average
400-1000 .....	8.3K	2K
1-2 GHz .....	9K	1.5K
2-4 .....	17K	1.2K
4-6 .....	14.5K	800
6-8 .....	4K	666
8-12 .....	9K	2K
12-20 .....	4K	509
20-40 .....	4K	1K

### Conclusion

This action would affect only certain unusual or novel design features on one series of rotorcraft. It would not be a rule of general applicability and would affect only the manufacturer who applied to the FAA for approval of these features on the rotorcraft.

### List of Subjects in 14 CFR Parts 21 and 29

Aircraft, Air transportation, Aviation safety, Rotorcraft, Safety.

The authority citation for these special conditions is as follows:

**Authority:** 49 U.S.C. 1344, 1348(c), 1352, 1354(a), 1355, 1421 through 1431, 1502, 1651(b)(2); 42 U.S.C. 1857f-10, 4321 et seq.; E.O. 11541; 49 U.S.C. 106(g) (Rev. Pub. L. 97-449, January 12, 1983).

### The Proposed Special Conditions

Accordingly, the Federal Aviation Administration (FAA) proposes the following special conditions as a part of the type certification basis for the Bell Helicopter Textron Model 412 SAR helicopter.

### Protection for Electrical/Electronic Systems From High Intensity Radiated Fields

Each system that performs critical functions must be designed and installed to ensure that the operation and operational capabilities of these critical functions are not adversely affected when the helicopter is exposed to high intensity radiated fields external to the helicopter.

Issued in Fort Worth, Texas, on August 15, 1991.

Anthony J. Merrill,

Acting Manager, Rotorcraft Directorate,  
Aircraft Certification Service.

[FR Doc. 91-20825 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-13-M

### 14 CFR Part 39

[Docket No. 91-NM-145-AD]

### Airworthiness Directives; Boeing Model 747 Series Airplanes

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This notice proposes to adopt a new airworthiness directive (AD), applicable to certain Boeing Model 747 series airplanes, which would require replacement of the main deck passenger door girt bar floor brackets with modified brackets. This proposal is prompted by reports of girt bar end fittings not properly or fully engaged with the floor brackets. This condition, if not corrected, could result in the escape slide detaching from the airplane during an evacuation.

**DATES:** Comments must be received no later than October 15, 1991.

**ADDRESSES:** Send comments on the proposal in duplicate to the Federal Aviation Administration, Northwest Mountain Region, Transport Airplane Directorate, ANM-103, Attention: Airworthiness Rules Docket No. 91-NM-145-AD, 1601 Lind Avenue SW., Renton, Washington 98055-4056. The applicable service information may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124. This information may be examined at the FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington.

**FOR FURTHER INFORMATION CONTACT:** Mr. Jayson B. Claar, Seattle Aircraft Certification Office, Airframe Branch, ANM-120S; telephone (206) 227-2784. Mailing address: FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington 98055-4056.

**SUPPLEMENTARY INFORMATION:** Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in duplicate to the address specified above. All communications received on or before the closing date for comments specified above will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this Notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA/public contact, concerned with the substance of this

proposal, will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this Notice must submit a self-addressed, stamped post card on which the following statement is made: "Comments to Docket Number 91-NM-145-AD." The post card will be date/time stamped and returned to the commenter.

### Discussion

When the main deck passenger doors of Boeing Model 747 series airplanes are closed and the escape system mode selector is moved from the manual position (disarmed) to the automatic position (armed), the girt bar end fittings are moved to engage the floor brackets that are attached to the door sill. When the door is opened in the automatic mode, the escape slide is automatically deployed while being secured to the airplane by the girt bar end fittings engaged into the floor brackets. Several operators have reported that when the door is opened in the automatic mode, the girt bar end fittings have disengaged from the floor brackets, causing the escape slide to separate from the airplane. The FAA has determined that the girt bar end fittings were not engaged properly or had insufficient engagement into the floor brackets. This condition, if not corrected, could result in the escape slide detaching from the airplane during an evacuation.

The FAA has reviewed and approved Boeing Service Bulletin 747-25-2754, dated March 30, 1989, which describes procedures for replacing the girt bar floor brackets with new girt bar floor brackets that have a thicker inboard leg. These floor brackets will prevent partial engagement of the girt bar end fitting and provide indication when the door is not properly armed.

Since this condition is likely to exist or develop on other airplanes of this same type design, an AD is proposed which would require replacement of the girt bar floor brackets with modified girt bar floor brackets, in accordance with the service bulletin previously described.

There are approximately 675 Model 747 series airplanes of the affected design in the worldwide fleet. It is estimated that 125 airplanes of U.S. registry would be affected by this AD, that it would take approximately 25 manhours per airplane to accomplish the required actions, and that the average labor cost would be \$55 per manhour. It is estimated that the required parts will cost \$1,510 per airplane. Based on these figures, the total cost impact of the AD



on U.S. operators is estimated to be \$360,625.

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket.

#### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

#### The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 14 CFR part 39 of the Federal Aviation Regulations as follows:

#### PART 39—[AMENDED]

The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

##### § 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

**Boeing:** Docket No. 91-NM-145-AD.

Applicability: Model 747 series airplanes, listed in Boeing Service Bulletin 747-25-2754, dated March 30, 1989, certificated in any category.

Compliance: Required within the next 24 months after the effective date of this AD, unless previously accomplished.

To prevent the girt bar end fittings from disengaging the girt bar floor brackets, accomplish the following:

(a) Replace the girt bar floor brackets with modified brackets, in accordance with Boeing Service Bulletin 747-25-2754, dated March 30, 1989.

(b) An alternative method of compliance or adjustment of the compliance time, which provides an acceptable level of safety, may

be used when approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate.

**Note:** The request should be forwarded through an FAA Principal Maintenance Inspector, who may concur or comment and then send it to the Manager, Seattle ACO.

(c) Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes to a base in order to comply with the requirements of this AD.

All persons affected by this directive who have not already received the appropriate service documents from the manufacturer may obtain copies upon request to Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124. These documents may be examined at the FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington.

Issued in Renton, Washington, on August 12, 1991.

**Darrell M. Pederson,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 91-20826 Filed 8-29-91; 8:45 am]

**BILLING CODE 4910-13-M**

#### 14 CFR Part 39

[Docket No. 91-NM-154-AD]

#### Airworthiness Directives; Boeing Model 767 Series Airplanes

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of Proposed Rulemaking (NPRM).

**SUMMARY:** This notice proposes to adopt a new airworthiness directive (AD), applicable to certain Boeing Model 767 series airplanes, which would require adjustment of the escape system girt bar locks. This proposal is prompted by a report of an escape slide that failed to deploy and fell to the ground. This condition, if not corrected, could result in the escape system not being available during an emergency evacuation.

**DATES:** Comments must be received no later than October 15, 1991.

**ADDRESSES:** Send comments on the proposal in duplicate to the Federal Aviation Administration, Northwest Mountain Region, Transport Airplane Directorate, ANM-103, Attention: Airworthiness Rules Docket No. 91-NM-154-AD, 1601 Lind Avenue SW., Renton, Washington 98055-4056. The applicable service information may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124. This information may be examined at the FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington.

#### FOR FURTHER INFORMATION CONTACT:

Mr. Jayson B. Claar, Seattle Aircraft Certification Office, Airframe Branch, ANM-120S; telephone (206) 227-2784. Mailing address: FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW, Renton, Washington 98055-4056

#### SUPPLEMENTARY INFORMATION:

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in duplicate to the address specified above. All communications received on or before the closing date for comments specified above will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this Notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA/public contact, concerned with the substance of this proposal, will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this Notice must submit a self addressed, stamped post card on which the following statement is made: "Comments to Docket Number 91-NM-154-AD." The post card will be date/time stamped and returned to the commenter.

#### Discussion

One operator of a Boeing Model 767 series airplane reported that, during a deployment inflation test of a Type A exit escape slide/raft, the escape slide/raft deployed, but failed to inflate and separated from the airplane. When the escape system is armed, the girt bar carrier is secured to the airplane by the girt bar lock knobs. Investigation revealed that both of the girt bar lock knobs on the girt bar carrier were rotated to the unlocked position. The ball plungers, which are designed to prevent the lock knobs from rotating freely, had insufficient detent positioning; this permitted the girt bar to separate from the girt bar carrier. This condition, if not corrected, could result in the escape system not being available during an emergency evacuation.

The FAA has reviewed and approved Boeing Alert Service Bulletin 767-52A0061, dated June 20, 1991, which describes procedures for the adjustment of the ball plunger for the girt bar locks to ensure the proper retention of the girt bar to the girt bar carrier.

Since this condition is likely to exist or develop on other airplanes of this same type design, an AD is proposed which would require a one-time adjustment of the ball plunger for the girt bar locks, in accordance with the service bulletin previously described.

There are approximately 354 Model 767 series airplanes of the affected design in the worldwide fleet. It is estimated that 134 airplanes of U.S. registry would be affected by this AD, that it would take approximately 20 manhours per airplane to accomplish the required actions, and that the average labor cost would be \$55 per manhour. Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be \$147,400.

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket.

#### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

#### The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 14 CFR part 39 of the Federal Aviation Regulations as follows:

#### PART 39—[AMENDED]

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

#### § 39.13 [AMENDED]

2. Section 39.13 is amended by adding the following new airworthiness directive:

**Boeing:** Docket No. 91-NM-154-AD.

Applicability: Model 767 series airplanes, as listed in Boeing Alert Service Bulletin 767-52A0061, dated June 20, 1991, certificated in any category.

Compliance: Required within 60 days after the effective date of this AD, unless previously accomplished.

To ensure proper retention of the girt bar to the girt bar carrier, accomplish the following:

(a) Adjust the ball plunger for the girt bar locks in accordance with Boeing Alert Service Bulletin 767-52A0061, dated June 20, 1991.

(b) An alternative method of compliance or adjustment of the compliance time, which provides an acceptable level of safety, may be used when approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate.

**Note:** The request should be forwarded through an FAA Principal Maintenance Inspector, who may concur or comment and then send it to the Manager, Seattle ACO.

(c) Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes to a base in order to comply with the requirements of this AD.

All persons affected by this directive who have not already received the appropriate service documents from the manufacturer may obtain copies upon request to Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124. These documents may be examined at the FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington.

Issued in Renton, Washington, on August 12, 1991.

**Darrell M. Pederson,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 91-20827 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-13-M

#### 14 CFR Part 39

[Docket No. 91-NM-138-AD]

#### Airworthiness Directives; Boeing Model 707/720 Series Airplanes

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This notice proposes to supersede an existing airworthiness directive (AD), applicable to certain Boeing Model 707/720 series airplanes, which currently requires inspection and repair, if necessary, of cracks in the

wing rear spar upper chord. This action would require replacement of "interim repairs," which used the stop drill procedure, with a "final repair" after a finite number of flight cycles. This proposal is prompted by concerns that the stop drill procedure does not provide adequate assurance that the crack will not continue to propagate. This condition, if not corrected, could lead to failure of the wing rear spar.

**DATES:** Comments must be received no later than October 15, 1991.

**ADDRESSES:** Send comments on the proposal in duplicate to Federal Aviation Administration, Northwest Mountain Region, Transport Airplane Directorate, ANM-103, Attention: Airworthiness Rules Docket No. 91-NM-138-AD, 1601 Lind Avenue SW., Renton, Washington 98055-4056. The applicable service information may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124. This information may be examined at the FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington.

#### FOR FURTHER INFORMATION CONTACT:

Ms. Della Henriksen Swartz, Seattle Aircraft Certification Office, Airframe Branch, ANM-120S; telephone (206) 431-2776. Mailing address: FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington 98055-4056.

#### SUPPLEMENTARY INFORMATION:

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in duplicate to the address specified above. All communications received on or before the closing date for comments specified above will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this Notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA/public contact, concerned with the substance of this proposal, will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments

submitted in response to this Notice must submit a self-addressed, stamped post card on which the following statement is made: "Comments to Docket Number 91-NM-138-AD." The post card will be date/time stamped and returned to the commenter.

#### Discussion

On May 8, 1991, the FAA issued AD 91-11-06, Amendment 39-7002 (56 FR 25356, June 4, 1991), applicable to certain Boeing Model 707/720 series airplanes, which requires inspection and repair, if necessary, of cracks in the wing rear spar upper chord. These procedures are required to be accomplished in accordance with Boeing Service Bulletin 3240, Revision 3, dated October 18, 1985. That action was prompted by report of a 59-inch crack inboard of wing station (WS) 360. This condition, if not corrected, could result in crack propagation to the point where fail-safe loads can no longer be supported. This could lead to failure of the wing rear spar, and subsequent failure of the wing.

At the time that AD 91-11-06 was issued, the FAA was concerned that the stop drill repairs described as interim repair action in the cited Boeing service bulletin were not adequately addressed. In this case, the concern was twofold: (1) The stop drill may not completely remove the leading edge of the crack; and (2) although the service bulletin identified the stop drill as an "interim repair," it recommended no time limit in which to complete "final repair." The FAA has never considered stop drilling of cracks to be a final repair action. In the preamble to AD 91-11-06, the FAA indicated that it intended to initiate further rulemaking action to require a finite time limit on stop-drill repairs to the wing rear spar with respect to all affected Model 707/720 series airplanes; the intent of this Notice is to proceed with such rulemaking action.

Since the addressed unsafe condition is likely to exist or develop on airplanes of this type design, an AD is proposed which would supersede AD 91-11-06 to continue to require repetitive visual inspections of the wing rear spar upper chord inboard of WS 360 at rib and stiffener locations, and repair, if necessary; to add periodic inspections of stop drilled cracks; and to require eventual installation of a final repair for previously stop drilled cracks; in accordance with Boeing Service Bulletin 3240, Revision 3, dated October 18, 1985.

To ensure that the stop drill is replaced by final repair within reasonable time, the FAA is proposing a time limit of 1,000 flight cycles or one year, whichever occurs first. Also, a 300-flight cycle repetitive inspection interval

is proposed for repairs using the stop drill method. This would allow the operator the flexibility of scheduling the final repair for a time when it is convenient; in the interim, the 300 flight cycle repetitive inspections of the stop-drilled crack for continued crack growth will ensure the continued operational safety of the airplane.

There are approximately 343 Boeing Model 707/720 series airplanes of the affected design in the worldwide fleet. It is estimated that 70 airplanes of U.S. registry would be affected by this AD, that it would take approximately 160 manhours per airplane to accomplish the required actions, and that the average labor cost would be \$55 per manhour. Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be \$616,000.

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket.

#### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

#### The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 14 CFR part 39 of the Federal Aviation Regulations as follows:

#### PART 39—[AMENDED]

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

#### § 39.13 [Amended]

2. Section 39.13 is amended by removing Amendment 39-7002 and by adding the following new airworthiness directive:

**Boeing:** Docket No. 91-NM-138 AD.  
Supersedes AD 91-11-06.

Applicability: Model 707/720 series airplanes, listed in Boeing Service Bulletin 3240, Revision 3, dated October 18, 1985, certificated in any category.

Compliance required as indicated, unless previously accomplished.

To ensure continued structural integrity of the wing rear spar upper chord, accomplish the following:

(a) Perform a close visual inspection for cracks and corrosion of the wing rear spar upper chord from wing station (WS) 109.45 to WS 360 for 707-300 series aircraft or WS 180.71 to WS 360 for 720 and 707-100 and -200 series aircraft, at rib and stiffener locations. Inspect in accordance with Boeing Service Bulletin 3240, Revision 3, dated October 18, 1985, prior to the later of the times specified in subparagraphs (a)(1) and (a)(2), below, unless previously accomplished within the last 900 flight cycles or 335 days. Repeat the inspection at intervals not to exceed 1,000 flight cycles or one year, whichever occurs first.

(1) Within the next 30 days or 100 flight cycles after June 19, 1991 (the effective date of Amendment 39-7002, AD 91-11-06); or  
(2) Prior to the accumulation of 10,000 flight cycles.

(b) If cracks or corrosion areas are found, prior to further flight, accomplish either subparagraph (b)(1) or (b)(2), below:

(1) Repair, other than by stop drill procedure, in accordance with Part III, Figure 2, of Boeing Service Bulletin 3240, Revision 3, dated October 18, 1985 (this is considered the "final repair"), or

(2) Repair in accordance with the stop drill procedures specified in Part III, Figure 2, of Service Bulletin 3240, Revision 3, dated October 18, 1985. This repair method may only be used provided that the limitations specified in Part III, Figure 2, Items 5a and 5b, of the service bulletin are met.

(i) Immediately after stop drilling, conduct an eddy current inspection of the stop drill hole in accordance with the instructions in Section 5-5-1 of D6-7170, Nondestructive Test Document, to ensure that the crack does not extend beyond the stop drill. Thereafter, reinspect visually for crack growth beyond the stop drill at intervals not exceeding 300 flight cycles.

(ii) If crack growth beyond the stop drill occurs, prior to further flight, accomplish the final repair in accordance with paragraph (b)(1) of this AD.

(iii) Within 1,000 flight cycles or one year, whichever occurs first, after the stop drill has been accomplished, accomplish the final repair in accordance with paragraph (b)(1) of this AD.

(c) If previously stop-drilled cracks are found as a result of the inspection required by paragraph (a) of this AD, conduct an eddy current inspection of the stop drill hole for crack growth beyond the stop drill, in

accordance with the instructions in Section 5-5-1 of Boeing Document 06-7170, Nondestructive Test Document.

(1) If growth beyond the stop drill has occurred, prior to further flight, repair in accordance with paragraph (b)(1) of this AD.

(2) If growth beyond the stop drill has not occurred, and the limitations specified in Part III, Figure 2, Items 5a and 5b, of Boeing Service Bulletin 3240, Revision 3, dated October 18, 1985, are met, prior to further flight, accomplish either subparagraph (c)(1)(i) or (c)(1)(ii), below:

(i) Repair in accordance with paragraph (b)(1) of this AD; or

(ii) Reinspect visually for crack growth beyond the stop drill at intervals not exceeding 300 flight cycles.

(A) If crack growth beyond the stop drill occurs, prior to further flight, accomplish the final repair in accordance with paragraph (b)(1) of this AD.

(B) Within 1,000 flight cycles or one year, whichever occurs first after the initial inspection revealed the stop drill crack, accomplish the final repair in accordance with paragraph (b)(1) of this AD.

(d) After each of the inspections and repairs required by this AD have been performed, apply BMS 3-23 corrosion inhibitor, or equivalent, to the affected areas:

(e) An alternative method of compliance or adjustment of the compliance time, which provides an acceptable level of safety, may be used when approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate.

**Note:** The request should be forwarded through an FAA Principal Maintenance Inspector, who may concur or comment and then send it to the Manager, Seattle ACO.

(f) Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes to a base in order to comply with the requirements of this AD.

All persons affected by this directive who have not already received the appropriate service documents from the manufacturer may obtain copies upon request to Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124. These documents may be examined at the FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington.

Issued in Renton, Washington, on August 12, 1991.

**Darrell M. Pederson,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 91-20829 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-13-M

**ACTION:** Notice of Proposed Rulemaking (NPRM).

**SUMMARY:** This notice proposes to adopt a new airworthiness directive (AD), applicable to certain British Aerospace Model ATP series airplanes, which would require an initial modification and repetitive applications of corrosion inhibitor to the nose landing gear (NLG) main fitting, and an eventual final modification of the NLG. This proposal is prompted by recent reports of corrosion found on the NLG main fitting, under the steering cuff upper bearing bush. This condition, if not corrected, could result in reduced structural integrity of the NLG.

**DATES:** Comments must be received no later than October 15, 1991.

**ADDRESSES:** Send comments on the proposal in duplicate to the Federal Aviation Administration, Northwest Mountain Region, Transport Airplane Directorate, ANM-103, Attention: Airworthiness Rules Docket No. 91-NM-140-AD, 1601 Lind Avenue SW., Renton, Washington 98055-4056. The applicable service information may be obtained from British Aerospace, PLC, Librarian for Service Bulletins, P.O. Box 17414, Dulles International Airport, Washington, DC 20041-0414. This information may be examined at the FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington.

**FOR FURTHER INFORMATION CONTACT:** Mr. William Schroeder, Standardization Branch, ANM-113; telephone (206) 227-2148. Mailing address: FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington 98055-4056.

**SUPPLEMENTARY INFORMATION:** Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in duplicate to the address specified above. All communications received on or before the closing date for comments specified above will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this Notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report

summarizing each FAA/public contact, concerned with the substance of this proposal, will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this Notice must submit a self-addressed, stamped post card on which the following statement is made: "Comments to Docket Number 91-NM-140-AD." The post card will be date/time stamped and returned to the commenter.

## Discussion

The United Kingdom Civil Aviation Authority (CAA), in accordance with existing provisions of a bilateral airworthiness agreement, has notified the FAA of an unsafe condition, which may exist on certain British Aerospace Model ATP series airplanes. There have been recent reports of corrosion found on the NLG main fitting, under the steering cuff upper bearing bush. This condition, if not corrected, could result in reduced structural integrity of the NLG.

British Aerospace has issued Service Bulletin ATP-32-33, dated March 1, 1991, which references Dowty Aerospace Gloucester Service Bulletins 200-32-143 and 200-32-144, both dated February 20, 1991, and describes procedures to perform a modification and repetitive applications of corrosion inhibitor to the NLG main fitting, and eventual additional terminating modification of the NLG.

Accomplishment of the additional terminating modification on the NLG terminates the need for repetitive applications of corrosion inhibitor. The terminating modification involves new painting and sealing procedures to improve the corrosion protection of the main fitting. The United Kingdom CAA has classified the British Aerospace service bulletin as mandatory.

This airplane model is manufactured in the United Kingdom and type certificated in the United States under the provisions of Section 21.29 of the Federal Aviation Regulations and the applicable bilateral airworthiness agreement.

Since this condition is likely to exist or develop on other airplanes of the same type design registered in the United States, an AD is proposed which would require an initial modification and subsequent repetitive applications of corrosion inhibitor to the NLG main fitting, and an eventual final modification of the NLG, in accordance with the service bulletins previously described. Once the final modification is

## 14 CFR Part 39

[Docket No. 91-NM-140-AD]

### Airworthiness Directives; British Aerospace Model ATP Series Airplanes

**AGENCY:** Federal Aviation Administration (FAA), DOT.

installed, the required repetitive applications may be discontinued.

It is estimated that 6 airplanes of U.S. registry would be affected by this AD, that it would take approximately 8 manhours per airplane to accomplish the required actions, and that the average labor cost would be \$55 per manhour. Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be \$2,640.

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a "major rule" under Executive Order 12291, (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket.

#### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

#### The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 14 CFR part 39 of the Federal Aviation Regulations as follows:

#### PART 39—[AMENDED]

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

#### § 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

**British Aerospace:** Docket No. 91-NM-140-AD.

Applicability: Model ATP series airplanes, equipped with nose landing gear (NLG), part number 201049001 or 201278001/002, pre Dowty Aerospace Gloucester modification c)AC11432 standard, certificated in any category.

Compliance: Required as indicated, unless previously accomplished.

To prevent reduced structural integrity of the NLG, accomplish the following:

(a) Within 60 days after the effective date of this AD, modify the NLG, treat the main fitting of the NLG with corrosion inhibitor, and externally seal the cover sub-assembly in accordance with British Aerospace Service Bulletin ATP-32-33, dated March 1, 1991.

**Note:** The British Aerospace Service Bulletin references Dowty Aerospace Gloucester Service Bulletin 200-32-143, dated February 20, 1991.

(b) Repeat the application of corrosion inhibitor at intervals not to exceed 6 months from the previous application, in accordance with British Aerospace Service Bulletin ATP-32-33, dated March 1, 1991.

(c) Install Dowty Aerospace Gloucester modification (c)AC11432 on all pre-modification (c)AC11432 NLG's in accordance with British Aerospace Service Bulletin ATP-32-33, dated March 1, 1991, at the later of the times specified in subparagraphs (c)(1) and (c)(2), below:

(1) Prior to the accumulation of 6,000 landings on the NLG since new, or within 3 years from the first flight on the NLG, whichever occurs first; or

(2) Within 12 months after the effective date of this AD.

**Note:** The British Aerospace Service Bulletin references Dowty Aerospace Gloucester Service Bulletin 200-32-144, dated February 20, 1991, which describes modification (c)AC11432.

(d) Installation of Dowty Aerospace Gloucester modification (c)AC11432 constitutes terminating action for the repetitive applications of corrosion inhibitor required by paragraphs (a) and (b) of this AD.

(e) An alternative method of compliance or adjustment of the compliance time, which provides an acceptable level of safety, may be used when approved by the Manager, Standardization Branch, ANM-113, FAA, Transport Airplane Directorate.

**Note:** The request should be forwarded through an FAA Principal Maintenance Inspector, who may concur or comment and then send it to the Manager, Standardization Branch, ANM-113.

(f) Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes to a base in order to comply with the requirements of this AD.

All persons affected by this directive who have not already received the appropriate service documents from the manufacturer may obtain copies upon request to British Aerospace, PLC, Librarian for Service Bulletins, P.O. Box 17414, Dulles International Airport, Washington, DC 20041-0414. These documents may be examined at the FAA, Northwest Mountain Region, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington.

Issued in Renton, Washington, on August 12, 1991.

**Darrell M. Pederson,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 91-20828 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-13-M

#### 14 CFR Part 71

[Airspace Docket No. 91-ANM-15]

#### Proposed Alteration and Establishment of VOR Federal Airways; WA

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This notice proposes to alter the descriptions of Federal Airways V-287 and V-349 from the Paine (PAE) very high frequency omnidirectional radio range and tactical air navigational aid (VORTAC) located in State of Washington, and establish Federal Airway V-347 in the Seattle area. The Paine VORTAC is being relocated in the Seattle area from its present position. This notice proposes to alter the en route airway structure to coincide with this relocation. The establishment of V-347 is necessary to facilitate new departure procedures at Bellingham and improve the airway system in the Puget Sound area.

**DATES:** Comments must be received on or before September 27, 1991.

**ADDRESSES:** Send comments on the proposal in triplicate to: Manager, Air Traffic Division, ANM-500, Docket No. 91-ANM-15, Federal Aviation Administration, 1601 Lind Avenue, SW., Renton, WA 98055-4056.

The official docket may be examined in the Rules Docket, weekdays, except Federal holidays, between 8:30 a.m. and 5 p.m. The FAA Rules Docket is located in the Office of the Chief Counsel, room 916, 800 Independence Avenue, SW., Washington, DC.

An informal docket may also be examined during normal business hours at the office of the Regional Air Traffic Division.

**FOR FURTHER INFORMATION CONTACT:** Alton D. Scott, Airspace and Obstruction Evaluation Branch (ATP-240), Airspace-Rules and Aeronautical Information Division, Air Traffic Rules and Procedures Service, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, D.C. 20591; telephone: (202) 267-9252.

**SUPPLEMENTARY INFORMATION:****Comments Invited**

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy aspects of the proposal. Communications should identify the airspace docket and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Airspace Docket No. 91-ANM-15." The postcard will be date/time stamped and returned to the commenter. All communications received before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available for examination in the Rules Docket both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

**Availability of NPRM's**

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the Federal Aviation Administration, Office of Public Affairs, Attention: Public Inquiry Center, APA-230, 800 Independence Avenue, SW., Washington, DC, 20591, or by calling (202) 267-3484. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRM's should also request a copy of Advisory Circular No. 11-2A which describes the application procedure.

**The Proposal**

The FAA is considering an amendment to part 71 of the Federal Aviation Regulations (14 CFR part 71) to alter the descriptions of VOR Federal airways located in Seattle, WA. The Paine (PAE) VORTAC is being relocated in the Seattle area. This notice proposes to alter the en route airway structure to coincide with this relocation. This notice would establish V-347 and alter the

description of V-349 located between Bellingham and Seattle, WA. The regulatory description of V-23 will remain the same although the bearings between Bellingham and Paine VOR have changed to reflect this relocation. These airways are needed to facilitate new departure procedures at Bellingham and to improve the airway system in the Puget Sound area. This proposal would also improve ingress/egress between the United States and Canada under the jurisdiction of the Vancouver Area Control Centre. Section 71.123 of part 71 of the Federal Aviation Regulations was republished in Handbook 7400.6G dated September 4, 1990.

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

**List of Subjects in 14 CFR Part 71**

Aviation safety, VOR Federal airways.

**The Proposed Amendment**

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration proposes to amend part 71 of the Federal Aviation Regulations (14 CFR part 71) as follows:

**PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CONTROLLED AIRSPACE, AND REPORTING POINTS**

1. The authority citation for part 71 continues to read as follows:

Authority: 49 U.S.C. App. 1348(a), 1354(a), 1510; Executive Order 10854; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); 14 CFR 11.69.

**§ 71.123 [Amended]**

2. § 71.123 is amended as follows:

**V-287 [Amended]**

By removing the words "INT Olympia 010° and Paine, WA, 257° radials;" and substituting the words "INT Olympia

010°T(348°M) and Paine, WA, 254°T(234°M) radials;"

**V-347 [New]**

From Seattle, WA; INT Seattle 329°T(307°M) and Bellingham, WA, 191°T(168°M) radials; to Bellingham.

**V-349 [Revised]**

From Paine, WA; INT Paine 329°T(309°M) and Bellingham, WA, 191°T(168°M) radials; Bellingham; to Williams Lake, BC, Canada. The airspace within Canada is excluded.

Issued in Washington, D.C., on August 23, 1991.

William C. Davis,

Acting Manager, Airspace-Rules and Aeronautical Information Division.

[FR Doc. 91-20830 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-13-M

**FEDERAL COMMUNICATIONS COMMISSION****47 CFR Part 73**

[MM Docket No. 90-45; RM-7121]

**Radio Broadcasting Services; Clovis and Madera, CA**

**AGENCY:** Federal Communications Commission.

**ACTION:** Proposed rule; Request for Supplemental Information.

**SUMMARY:** The Commission is issuing a Request for Supplemental Information in the above-referenced proceeding to Madera Broadcasting, Inc., licensee of Station KXXM (FM), channel 221B1, Madera, California, on its proposal to change the community of license for Channel 221B1 from Madera to Clovis, and to modify its license accordingly. See 55 FR 7509, March 2, 1990. Clovis is located within the Fresno Urbanized Area. Therefore, petitioner is requested to provide information to demonstrate whether Clovis is deserving of a first local FM service preference, or whether the community should be credited with all of the authorized aural services in the Fresno Urbanized Area. This Request for Supplemental Information does not afford an additional opportunity to submit competing proposals.

**DATES:** Comments must be filed on or before October 18, 1991.

**ADDRESSES:** Secretary, Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioner's counsel, as follows: Dennis P. Corbett and Stephen D. Baruch, Esqs., Leventhal, Senter & Lerman, 2000 K St., NW, suite 600, Washington, DC 20006-1809.



**FOR FURTHER INFORMATION CONTACT:**

Nancy Joyner, Mass Media Bureau, (202) 634-6530.

**SUPPLEMENTARY INFORMATION:** This is a synopsis of the Commission's Request for Supplemental Information, MM Docket No. 90-45, adopted August 13, 1991, and released August 27, 1991. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, Downtown Copy Center, (202) 452-1422, 1714 21st St., NW., Washington, DC 20036.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1204(b) for rules governing permissible *ex parte* contacts.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

**List of Subjects in 47 CFR Part 73****Radio broadcasting.**

Federal Communications Commission.  
Michael C. Ruger,

*Assistant Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.*

[FR Doc. 91-20916 Filed 8-29-91; 8:45 am]

BILLING CODE 6712-01-M

**47 CFR Part 73**

[MM Docket No. 91-251, RM-6826]

**Radio Broadcasting Services; Chester, Kingstree, Wedgefield and Summerton, SC**

**AGENCY:** Federal Communications Commission.

**ACTION:** Proposed rule.

**SUMMARY:** The Commission requests comments on a petition jointly filed by Chester County Broadcasting Corporation, license of Station WDKZ-FM, Chester, South Carolina, and Davidson Communications, Inc., licensee of Station WWKT-FM, Kingstree, SC. Petitioners request the substitution of Channel 257C3 for Channel 257A at Chester, SC, the modification of Station WDKZ-FM's

license to specify the higher powered channel, the substitution of Channel 257C3 for Channel 252A at Kingstree, SC, and the modification of Station WWKT-FM's license to specify the higher powered channel. In addition, they request the substitution of Channel 238A for Channel 257A at Wedgefield, SC, and the modification of Station WIBZ-FM's license to specify the alternate Class A channel by substituting Channel 252A for unoccupied and unapplied for Channel 238A at Summerton, SC. See **SUPPLEMENTARY INFORMATION, infra.**

**DATES:** Comments must be filed on or before October 18, 1991, and reply comments on or before November 4, 1991.

**ADDRESSES:** Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioner, or its counsel or consultant, as follows: C. Curtis Sigmon, President, Chester County Broadcasting Corp., P.O. Box 398, York, South Carolina 29745 and Gary M. Davidson, President, Davidson Communications, Inc., P.O. Box 1125, Kingstree, South Carolina 29556 (Petitioners).

**FOR FURTHER INFORMATION CONTACT:** Leslie K. Shapiro, Mass Media Bureau, (202) 634-6530.

**SUPPLEMENTARY INFORMATION:** This is a synopsis of the Commission's Notice of Proposed Rule Making, MM Docket No. 91-251, adopted August 13, 1991, and released August 27, 1991. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, Downtown Copy Center, (202) 452-1422, 1714 21st Street, NW., Washington, DC 20036.

Channel 257C3 can be allotted to Chester at Station WDKZ-FM's present transmitter site if Channel 257A is deleted from Wedgefield, at coordinates 34-40-06 and 81-11-42. Channel 257C3 can be allotted to Kingstree with a site restriction of 12.7 kilometers (7.9 miles) west to avoid a short-spacing to unoccupied but applied for Channel 258A at Socastee, SC, if Channel 257A is deleted from Wedgefield, at coordinates 33-42-00 and 79-57-30. Channel 238A can be allotted to Wedgefield at Station WIBZ-FM's present transmitter site, at coordinates 33-51-14 and 80-31-47. Channel 252A can be allotted to Summerton with a site restriction of 4.5 kilometers (2.8 miles) southeast to avoid a short-spacing to the proposed

allotment of Channel 252A to Liberty Hill, SC (RM-7070), at coordinates 33-35-06 and 80-22-05.

In accordance with § 1.420(g) of the Commission's Rules, we will not accept competing expression of interest in use of Channel 257C3 at Chester or require Chester County Broadcasting Corporation to demonstrate the availability of an additional equivalent class channel for use by such parties. We also tentatively conclude that the substitution of Channel 257C3 for Channel 252A at Kingstree should also be treated as an adjacent channel upgrade, even though Channel 252A and Channel 257C3 are more than three channels removed. However, if we were to allot Channel 257C3 to Kingstree and open a filing window, it appears that either Channel 257A at Wedgefield or Channel 252A at Kingstree would have to be deleted, without replacement. Therefore, although we will entertain competing expressions of interest, any party expressing such an interest must, at a minimum, demonstrate that accommodation of that interest would not require deletion without replacement of an allotment on which there is currently an authorization.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1204(b) for rules governing permissible *ex parte* contacts.

For information regarding proper filing procedures for comments, see 47 CFR 1.415 and 1.420.

**List of Subjects in 47 CFR Part 73****Radio broadcasting.**

Federal Communications Commission.

Michael C. Ruger,

*Assistant Chief, Allocations Branch Policy and Rules Division, Mass Media Bureau.*

[FR Doc. 91-20917 Filed 8-29-91; 8:45am]

BILLING CODE 6712-01-M

**47 CFR Part 73**

[MM Docket No. 91-250, RM-7461]

**Radio Broadcasting Services; Gilmer, TX**

**AGENCY:** Federal Communications Commission.

**ACTION:** Proposed rule.

**SUMMARY:** The Commission requests comments on a petition by Curtis Broadcasting Stations, Inc. ("petitioner"), licensee of Station KLSQ(FM) [formerly KAEZ(FM)], Channel 237A, Gilmer, Texas, proposing the substitution of Channel 237C3 for Channel 237A at Gilmer and modification of Station KLSQ(FM)'s license to specify operation on the higher power. Channel 237C3 can be allotted to Gilmer in compliance with the Commission's minimum distance separation requirements with a site restriction of 4.2 kilometers (2.6 miles) southeast to accommodate petitioner's desired site. The coordinates for Channel 237C3 at Gilmer are North Latitude 32-42-02 and West Longitude 94-55-14. In accordance with § 1.420(g) of the Commission's Rules, we will not accept competing expressions of interest in use of Channel 237C3 at Gilmer or require the petitioner to demonstrate the availability of an equivalent class channel for use by such parties.

**DATES:** Comments must be filed on or before October 18, 1991, and reply comments on or before November 4, 1991.

**ADDRESSES:** Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioner, or its counsel or consultant, as follows: Bruce A. Eisen, Esq., Kaye, Scholer, Fierman, Hays & Handler, 901 15th Street NW., suite 1100, Washington, DC 20005 (Counsel for petitioner).

**FOR FURTHER INFORMATION CONTACT:** Pamela Blumenthal, Mass Media Bureau, (202) 654-6530.

**SUPPLEMENTARY INFORMATION:** This is a synopsis of the Commission's Notice of Proposed Rule Making, MM Docket No. 91-250, adopted August 13, 1991, and released August 27, 1991. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (room 230), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, Downtown Copy Center, (202) 452-1422, 1714 21st Street NW., Washington, DC 20036.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments.

See 47 CFR 1.1204(b) for rules governing permissible *ex parte* contacts.

For information regarding proper filing procedures for comments, see 47 CFR 1.415 and 1.420.

#### List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Michael C. Ruger,

Assistant Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 91-20918 Filed 8-29-91; 8:45 am]

BILLING CODE 6712-01-M

## DEPARTMENT OF THE INTERIOR

### Fish and Wildlife Service

#### 50 CFR Part 17

#### Endangered and Threatened Wildlife and Plants; 90-Day Findings and Commencement of Status Reviews for Three Petitions to List Seven Species as Threatened or Endangered

**AGENCY:** Fish and Wildlife Service, Interior.

**ACTION:** Notice of petition findings.

**SUMMARY:** The U.S. Fish and Wildlife Service (Service) announces 90-day findings on pending petitions to add seven species to the Lists of Endangered and Threatened Wildlife and Plants. Three petitions to list the seven species have been found to present substantial information indicating that the requested actions may be warranted. Through issuance of this notice, the Service is commencing a formal review of the status of these species.

**DATES:** The findings announced in this notice were made on March 21, 1991, and May 16, 1991. Comments and materials related to these petition findings may be submitted to the Assistant Regional Director at the above address until further notice.

**ADDRESSES:** Data, information, comments, or questions concerning the status of the petitioned species described below should be submitted to the Assistant Regional Director-Fish and Wildlife Enhancement, U.S. Fish and Wildlife Service, Eastside Federal Complex, 911 NE 11th Avenue, Portland, Oregon 97232-4181. The petitions, findings, supporting data, and comments are available for public inspection, by appointment, during normal business hours at the above address.

**FOR FURTHER INFORMATION CONTACT:** Leslie Propp at the above address (503-231-6131 or FTS 429-6131).

## SUPPLEMENTARY INFORMATION:

### Background

Section 4(b)(3)(A) of the Endangered Species Act of 1973, as amended (16 U.S.C. 1533) (Act), requires that the Service make a finding on whether a petition to list, delist, or reclassify a species presents substantial scientific or commercial information indicating that the petitioned action may be warranted. To the maximum extent practicable, this finding is to be made within 90 days of the receipt of the petition, and the finding is to be published promptly in the **Federal Register**. If the Service finds that a petition presents substantial information indicating that a requested action may be warranted, then the Service initiates a status review on that species.

The Service announces positive 90-day findings on three petitions to list seven species as endangered or threatened. The Service has, therefore, initiated status reviews on three plants: *Baccharis vanessae* (Encinitas baccharis), *Downingia concolor* ssp. *brevior* (Cuyamaca Lake downingia), and *Corethrogyne filaginifolia* var. *linifolia* (Del Mar Mesa sand aster); and four fairy shrimps: Conservancy fairy shrimp (*Branchinecta conservatio*), longhorn fairy shrimp (*Branchinecta longiantenna*), vernal pool fairy shrimp (*Branchinecta lynchi*), and California linderiella (*Linderiella occidentalis*). Section 4(b)(3)(B) of the Act requires the Service to make a finding as to whether or not the petitioned actions are warranted, within 1 year of the receipt of a petition that presents substantial information.

The Service has determined that the following petitions present substantial information that the requested actions may be warranted. On November 20, 1990, the Service received a petition dated November 19, 1990, and supporting information dated November 20, 1990, from Ms. Roxanne Bittman of Davis, California, to list four vernal pool fairy shrimp as endangered. The four species are: The Conservancy fairy shrimp (*Branchinecta conservatio*), longhorn fairy shrimp (*Branchinecta longiantenna*), vernal pool fairy shrimp (*Branchinecta lynchi*), and California linderiella (*Linderiella occidentalis*).

The petition stated that the four species of fairy shrimp merit protection under the Act because the animals are in jeopardy throughout their California ranges from urban development, agricultural land conversion, and other activities that adversely affect their vernal pool habitat. The Conservancy fairy shrimp is known from three



disjunct localities: Seven pools in the Vina Plains north of Chico in Tehama County, three pools on the Jepson Prairie in Solano County, and one pool near Haystack Mountain northeast of Merced in Merced County. The longhorn fairy shrimp is known from three disjunct localities: Four pools in the Kellogg Creek watershed near Byron in Contra Costa County, one pool at Altamont Pass in Alameda County, and 13 pools around the western and northern boundaries of Soda Lake in San Luis Obispo County.

The vernal pool fairy shrimp is known from 29 localities ranging from the Vina Plains in Tehama County south through the Central Valley and eastern margin of the central coast range. Disjunct populations are known from the mountain grasslands of northern Santa Barbara County and the Santa Rosa Plateau and near Rancho California in Riverside County. The California linderiella is known from 39 localities in the Central Valley from east of Red Bluff in Tehama County to east of Madera in Madera County and across the valley in the Sacramento area to the central and south coast mountains from Boggs Lake in Lake County south to Riverside County.

Rapid urbanization and agricultural conversion of areas containing vernal pools pose a significant threat to the four fairy shrimps. It has been estimated that by 1970, 90 percent of the historic vernal pool habitat in the Central Valley had been lost and the rate of loss continues at an annual rate of 2 to 3 percent. At least four sites that contained suitable habitat for the vernal pool fairy shrimp and the California linderiella were eliminated by urban development in Sacramento County in the late 1980's. Five sites in this area containing a number of suitable pools for these two animals are currently being developed for residential use. Three additional proposed projects, if developed, would affect a large amount of vernal pool acreage in the Sacramento Valley. Soda Lake is inhabited by the longhorn fairy shrimp and the vernal pool fairy shrimp. Most of the known sites for these two species are located in areas subdivided and partially developed for sale. To date, few such sites have been cleared, but large scale habitat loss is likely in the foreseeable future. The California linderiella is recorded from vernal pools in the Lincoln area of Placer County. A number of these sites would be adversely affected by the construction of the proposed State Highway 65 Lincoln by-pass. The State of California

has proposed to construct an expansion of State Highway 505 that would extend from Vacaville to Colinsville in Solano County. This project could directly and indirectly impact vernal pools in this area inhabited by the Conservancy fairy shrimp. In addition, this area is undergoing rapid urbanization which would adversely affect the species. Other threats to these species include off-road vehicle use and adverse changes in the hydrological patterns of their vernal pool habitat.

On December 14, 1990, the Service received a petition dated December 5, 1990, from David Hogan of the San Diego Biodiversity Project, to list 9 plants: *Dudleya brevifolia* (short-leaved dudleya), *Downingia concolor* spp. *brevior* (Cuyamaca Lake downingia), *Baccharis vanessae* (Encinitas baccharis) *Brodiaea filifolia* (thread-leaved Brodiaea), *Nolina interrata* (Dehesa beargrass), *Hemizonia conjugens* (Otay tarweed), *Eryngium aristulatum* var. *parishii* (San Diego coyote thistle), *Orcuttia californica* (California Orcutt grass), and *Pogogyne nudiuscula* (Loma Alta mint) as endangered species. On January 7, 1991, the Service received another petition from Mr. Hogan, dated December 30, 1990, to list 3 additional plants: *Corethrogyne filaginifolia* var. *linifolia* (Del Mar Mesa sand aster), *Machaeranthera asteroides* var. *lagunensis* (Laguna Mountains aster), and *Acanthomintha ilicifolia* (San Diego thorn-mint) as endangered species. Both petitions also requested designation of critical habitat.

Nine of the plants listed above were included in the Smithsonian Institution's Report, which was presented to Congress on January 9, 1975, and accepted by the Service as a petition under the Act on July 1, 1975. The Service has made annual findings, beginning in 1983, that the petitioned action to list the above nine taxa is warranted, but precluded by other higher priority listing actions. The Service therefore regards petitions to list *Brodiaea filifolia*, *Dudleya brevifolia*, *Nolina interrata*, *Hemizonia conjugens*, *Eryngium aristulatum* var. *parishii*, *Orcuttia californica*, *Pogogyne nudiuscula*, *Machaeranthera asteroides* var. *lagunensis*, and *Acanthomintha ilicifolia* as second petitions. The Service has evaluated the petitioner's requested action for the remaining three plant species.

*Downingia concolor* spp. *brevior*, *Baccharis vanessae*, and *Corethrogyne filaginifolia* var. *linifolia* are all endemic to the coastal portion of San Diego

County, California. *Corethrogyne filaginifolia* var. *linifolia* Family Asteraceae) is perennial herb with violet-rayed flowers and white woolly leaves. This plant occurs from the city of Encinitas to Del Mar. The plant is restricted to coastal maritime chaparral, where it prefers outcrops of open, eroded sandstone faces or bluffs; it can also recolonize disturbed areas. The petition stated that San Diego coastal maritime chaparral has been reduced by 85 percent due to development. Of the 15 known historic populations, 5 have been extirpated by development. The remaining 10 sites, which support a total of fewer than 1,500 plants, are threatened by pedestrian trampling, habitat loss and degradation due to railroad and highway maintenance, and potential urban development.

*Downingia concolor* spp. *brevior* (Family Campanulaceae) is a small, delicate plant with bluish/purple flowers. The plant is endemic to Cuyamaca Lake where it occurs at 7 locations, totalling approximately 600 plants, in the vernal moist areas surrounding the lake. The petition provided information that historical habitat has been lost due to damming of the lake. Current threats to this species, as noted in the petition, include grazing, high-impact recreational use, and potential development of lakeside homes.

*Baccharis vanessae* (Family Asteraceae) is a broom-like shrub with male and female flowers borne on separate plants. It occurs in coastal mixed chaparral and southern mixed chaparral within a 15-mile radius of Del Mar. Of 13 historic sites, 9 remain. The total number of plants at the 9 sites is approximately 200. Two sites contain single, male plants, and cannot be considered viable populations. The petition stated that the species is threatened by habitat loss attributed to documented and proposed development and highway construction and direct loss of individual plants from cutting.

Based on scientific and commercial information contained in the above petitions, referenced in the petitions, and otherwise available to the Service at this time, the Service has determined that the petitions to list the Conservancy fairy shrimp (*Branchinecta conservatio*), longhorn fairy shrimp (*Branchinecta longiantenna*), vernal pool fairy shrimp (*Branchinecta lynchi*), California linderiella (*Linderiella occidentalis*), *Downingia concolor* spp. *brevior* (Cuyamaca Lake downingia), *Baccharis vanessae* (Encinitas baccharis), and

*Corethrogyne filaginifolia* var. *linifolia* (Del Mar Mesa sand aster) present substantial information that listing may be warranted for these species.

These findings initiate a status review for each of the above species. The Service would appreciate any additional data, comments, and suggestions from the public, other concerned governmental agencies, the scientific community, industry, or any other interested party concerning the status of these species.

#### Author

This notice was prepared by Chris Nagano (Sacramento Field Station), Lynn Oldt (Laguna Niguel Field Station), and Leslie Propp (Portland Regional Office).

#### List of Subjects in 50 CFR Part 17

Endangered and threatened species, Exports, Imports, Reporting and recordkeeping requirements, and Transportation.

**Authority:** 16 U.S.C. 1361-1407; 16 U.S.C. 1531-1544; 16 U.S.C. 4201-4245; Pub. L. 99-625, 100 Stat. 3500; unless otherwise noted.

Dated: August 23, 1991.

**Bruce Blanchard,**

*Acting Director, U.S. Fish and Wildlife Service,*

[FR Doc. 91-20837 Filed 8-29-91; 8:45 am]

BILLING CODE 4310-55-M

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

#### 50 CFR Part 227

#### Endangered and Threatened Species; Proposed Threatened Status for Snake River Spring/Summer Chinook Salmon and the Snake River Fall Chinook Salmon

**AGENCY:** National Marine Fisheries Service (NMFS), NOAA, Commerce.

**ACTION:** Extension of comment period on proposed rules.

**SUMMARY:** NMFS is extending the comment period on its proposed determinations to list the Snake River spring/summer chinook salmon (*Oncorhynchus tshawytscha*) and the Snake River fall chinook salmon as threatened species under the Endangered Species Act of 1973, as amended, 16 U.S.C. 1531 *et seq.* (ESA).

**DATES:** Comments from all interested parties must be received by September 10, 1991.

**ADDRESSES:** Comments on these proposed rule should be sent to the Environmental and Technical Services Division, NMFS, Northwest Region, 911 NE. 11th Avenue, suite 620, Portland, OR 97232.

**FOR FURTHER INFORMATION CONTACT:** Tracey Vriens, Environmental and

Technical Services Division, NMFS, Portland, Oregon, 503-230-5420 or FTS-429-5420.

#### SUPPLEMENTARY INFORMATION:

##### Background

On June 7, 1990, NMFS received petitions from Oregon Trout, with co-petitioners Oregon Natural Resources Council, Northwest Environmental Defense Center, American Rivers, and Idaho and Oregon Chapters of American Fisheries Society, to list the Snake River spring, summer and fall chinook salmon under the ESA. NMFS published a notice on September 11, 1990, (55 FR 37342) announcing that the petitions presented substantial scientific information indicating that the listings may be warranted. On June 27, 1991, NMFS published its proposed determinations that the Snake River spring/summer chinook salmon (56 FR 29542) and the Snake River fall chinook salmon (56 FR 29547) should be listed as threatened and requested written comments by August 26, 1991. Based on a number of requests, NMFS hereby extends the comment period on these proposed rules until September 10, 1991.

Dated: August 27, 1991.

**Nancy Foster,**

*Director, Office of Protected Resources.*

[FR Doc. 91-20907 Filed 8-29-91; 8:45 am]

BILLING CODE 3510-22-M

# Notices

Federal Register

Vol. 56, No. 169

Friday, August 30, 1991

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

## DEPARTMENT OF AGRICULTURE

### Animal and Plant Health Inspection Service

[Docket No. 91-093]

#### Availability of Environmental Assessment and Finding of No Significant Impact for Field Testing of a Live Vaccinia Vectored Rabies Vaccine in Pennsylvania; Record of Decision

**AGENCY:** Animal and Plant Health Inspection Service, USDA.

**ACTION:** Notice.

**SUMMARY:** This document provides notice that an environmental assessment and finding of no significant impact has been prepared by the Animal and Plant Health Inspection Service concerning the limited field trial by the Wistar Institute of a live vaccinia vectored rabies vaccine in Pennsylvania. The assessment indicates that the field testing of the live recombinant rabies vaccine will not have a significant impact on the environment. Based upon this finding of no significant impact, the Animal and Plant Health Inspection Service has determined that an environmental impact statement need not be prepared for a field test of the rabies vaccine in Pennsylvania.

**ADDRESSES:** Copies of the environmental assessment and finding of no significant impact and record of decision are available for public inspection in room 1141, United States Department of Agriculture, 14th Street and Independence Avenue, SW. Washington, DC, 20250 between 8 a.m. and 4:30 p.m., Monday through Friday except holidays. Copies of the environmental assessment and finding of no significant impact and record of decision are also available upon request from the person listed under **FOR FURTHER INFORMATION CONTACT.**

#### FOR FURTHER INFORMATION CONTACT:

Dr. Robert B. Miller, Chief Staff Veterinarian, Veterinary Biologics, Biotechnology, Biologics, and Environmental Protection, Animal and Plant Health Inspection Service, U.S. Department of Agriculture, room 832, Federal Building, 6505 Belcrest Road, Hyattsville MD 20782, (301) 436-5863.

**SUPPLEMENTARY INFORMATION:** The Animal and Plant Health Inspection Service (APHIS) has prepared an environmental assessment and finding of no significant impact (FONSI) (hereinafter "the document") relative to a request for authorization to conduct a limited field trial in Sullivan County, Pennsylvania, with a live vaccinia vectored rabies vaccine that expresses the rabies virus surface glycoprotein. The sponsor of the limited field trial is the Wistar Institute of Anatomy and Biology, Philadelphia, Pennsylvania.

Under the Virus-Serum-Toxin Act (VSTA) (21 U.S.C. 151 *et seq.*), before a veterinary biological product can be licensed, it must be shown to be pure, safe, potent, and efficacious. Field testing under 9 CFR 103.3 is necessary in order to satisfy vaccine safety requirements as a prerequisite to licensing of the live recombinant rabies vaccine. In the course of reviewing the field testing protocol, for the vaccinia vectored rabies vaccine, APHIS assessed the impact on the human environment of authorizing the sponsor to conduct a limited field trial of the product in Pennsylvania.

The document was prepared after: (1) Review of the application for a limited field trial in Pennsylvania by the Vaccinia Subcommittee of the National Vaccine Program and an ad hoc expert panel; (2) a public meeting in Sullivan County, Pennsylvania, discussing the proposed test site on October 24, 1990; (3) two public meetings in Harrisburg, Pennsylvania, discussing the proposed test protocol on November 14, 1990, (see 55 FR 42743, October 23, 1990) and the draft document on May 17, 1991, (see 56 FR 19635, April 29, 1991); and (4) a 30 day public comment period which ended June 1, 1991.

Notice of availability of the draft document, the 30-day public comment period, and the public meeting was published on April 29, 1991, in 56 FR 19635. Forty-four people attended the public meeting, which was held in Harrisburg, PA, on May 17, 1991, to

review the draft document. Thirty-seven comments were received during the public comment period. All the comments received were given careful consideration before preparation of the final document and record of decision. No new substantial scientific issues were raised during the comment period that would change the conclusions reached in the draft document. The draft document and preliminary FONSI is hereby adopted as final. Authorization of the Wistar Institute to conduct the limited field trial of the experimental vaccine has been granted in accordance with 9 CFR 103.3.

The environmental assessment and FONSI and record of decision have been prepared in accordance with (1) the National Environmental Policy Act (42 U.S.C. 4321 *et seq.*); (2) regulations of the Council on Environmental Quality for Implementing the Procedural Provisions of NEPA (title 40, Code of Federal Regulations (CFR) parts 1500-1506); (3) USDA Regulations Implementing NEPA (7 CFR 1b); and (4) APHIS Guidelines Implementing NEPA (44 FR 50381-50384 and 44 FR 51272-51274).

Done in Washington, DC, this 26th day of August 1991.

James W. Glosser,  
Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 91-20841 Filed 8-29-91; 8:45 am]

BILLING CODE 3410-34-M

[Docket No. 91-118]

#### Availability of List of U.S. Veterinary Biological Product and Establishment Licenses, and U.S. Veterinary Biological Product Permits, Issued, Suspended, Revoked, or Terminated

**AGENCY:** Animal and Plant Inspection Service, USDA.

**ACTION:** Notice.

**SUMMARY:** This notice is to advise the public of veterinary biological product and establishment licenses and veterinary biological product permits that were issued, suspended, revoked, or terminated, by the Animal and Plant Health and Inspection Service, during the months of April, May, and June, 1991. These actions have been taken in accordance with the regulations issued pursuant to the Virus-Serum-Toxin Act. The purpose of this notice is to notify

interested persons of the availability of a list of these actions and advise interested persons that they may request to be placed on a mailing list to receive the listing.

**FOR FURTHER INFORMATION CONTACT:**

Joan Montgomery, Program Assistant, Veterinary Biologics, Biotechnology, Biologics, and Environmental Protection, room 838, Federal Building, 6505 Belcrest Road, Hyattsville, MD 20782, (301) 436-4873. For copies of the list or to be placed on the mailing list, write to Ms. Montgomery at the above address.

**SUPPLEMENTARY INFORMATION:** The regulations in 9 CFR part 102, "Licenses For Biological Products," require that every person who prepares certain biological products that are subject to the Virus-Serum-Toxin Act (21 U.S.C. 151 *et seq.*) shall hold an unexpired, unsuspended, and unrevoked U.S. Veterinary Biological Product License. The regulations set forth the procedures for applying for a license, the criteria for determining whether a license shall be issued, and the form of the license.

The regulations in 9 CFR part 102 also require that each person who prepares biological products that are subject to the Virus-Serum-Toxin Act (21 U.S.C. 151 *et seq.*) shall hold a U.S. Veterinary Biologics Establishment License. The regulations set forth the procedures for applying for a license, the criteria for determining whether a license shall be issued, and the form of the license.

The regulations in 9 CFR part 104, "Permits for Biological Products," require that each person importing biological products shall hold an unexpired, unsuspended, and unrevoked U.S. Veterinary Biological Product Permit. The regulations set forth the procedures for applying for a permit, the criteria for determining whether a permit shall be issued, and the form of the permit.

The regulations in 9 CFR parts 102 and 105 also contain provisions concerning the suspension, revocation, and termination of U.S. Veterinary Biological Product Licenses, U.S. Veterinary Biologics Establishment and U.S. Veterinary Biological Product Permits.

Each month the Veterinary Biologics section of Biotechnology, Biologics, and Environmental Protection prepares a list of licenses and permits that have been issued, suspended, revoked, or terminated. This notice announces the availability of the lists for April, May, and June 1991. The list is also mailed on a regular basis to interested persons. To be placed on the mailing list you may call or write the person designated under "**FOR FURTHER INFORMATION CONTACT.**"

Authority: 21 U.S.C. 151-159.

Done in Washington, DC, this 26th day of August 1991.

Robert Melland,

*Acting Administrator, Animal and Plant Health Inspection Service.*

[FR Doc. 91-20840 Filed 8-29-91; 8:45 am]

BILLING CODE 3410-34-M

[Docket No. 91-120]

**Receipt of Permit Applications for Release into the Environment of Genetically Engineered Organisms**

**AGENCY:** Animal and Plant Health Inspection Service, USDA.

**ACTION:** Notice.

**SUMMARY:** We are advising the public that five applications for permits to release genetically engineered organisms into the environment are being reviewed by the Animal and Plant Health Inspection Service. The applications have been submitted in accordance with 7 CFR part 340, which regulates the introduction of certain genetically engineered organisms and products.

**ADDRESSES:** Copies of the applications referenced in this notice, with any confidential business information deleted, are available for public inspection in room 1141, South Building, United States Department of Agriculture, 14th and Independence Avenue, SW., Washington, DC, between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. You may obtain a copy of these documents by writing to the person listed under "**FOR FURTHER INFORMATION CONTACT.**"

**FOR FURTHER INFORMATION CONTACT:**

Mary Petrie, Program Specialist, Biotechnology, Biologics, and Environmental Protection, Biotechnology Permits, Animal and Plant Health Inspection Service, U.S. Department of Agriculture, room 850, Federal Building, 6505 Belcrest Road, Hyattsville, MD 20782, (301) 436-7612.

**SUPPLEMENTARY INFORMATION:**

The regulations in 7 CFR part 340, "Introduction of Organisms and Products Altered or Produced Through Genetic Engineering Which are Plant Pests or Which There is Reason To Believe Are Plant Pests," require a person to obtain a permit before introducing (importing, moving interstate, or releasing into the environment) in the United States, certain genetically engineered organisms and products that are considered "regulated articles." The regulations set forth procedures for obtaining a permit for the release into the environment of a regulated article, and for obtaining a limited permit for the importation or interstate movement of a regulated article.

Pursuant to these regulations, the Animal and Plant Health Inspection Service has received and is reviewing the following applications for permits to release genetically engineered organisms into the environment:

Application No.	Applicant	Date received	Organism	Field test location
91-197-01 .....	Pioneer Hi-Bred International Incorporated.	07-16-91	Corn plants genetically engineered to express a wheat germ agglutinin (WGA), which inhibits the growth of the European corn borer.	Kauai, Hawaii.
91-197-02 .....	Pioneer Hi-Bred International Incorporated.	07-16-91	Corn plants genetically engineered to express a wheat germ agglutinin (WGA), which inhibits the growth of the European corn borer.	Date County, Florida.
91-203-01 renewal of Permit 90-274-05, Issued 11-15-90.	Upjohn Company .....	07-22-91	Soybean plants genetically engineered to express the B-glucuronidase (GUS) and phosphinothricin acetyltransferase (PAT) enzymes.	Puerto Rico.
91-205-01 .....	Calgene, Incorporated .....	07-24-91	Released plants genetically engineered to express an oil modification gene.	Yolo and Imperial Counties, California.

Application No.	Applicant	Date received	Organism	Field test location
91-205-02	Petoseed Research Center	07-24-91	Tomato plants genetically engineered to express poly-galacturonase (PG), pectinesterase (PE), and ethylene forming enzyme as antisense genes.	Hendry County, Florida.

Done in Washington, DC, this 26th day of August 1991.

James W. Glosser,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 91-20842 Filed 8-29-91; 8:45 am]

BILLING CODE 3410-34-M

## Forest Service

### Sierra National Forest, CA; Exemption

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of exemption from appeal, Kings River Ranger District, Sierra National Forest, CA.

**SUMMARY:** The Forest Service is exempting from appeal the decision resulting from the Front Country Salvage Sale analysis. This environmental analysis is being prepared in response to the severe timber mortality in the Blue, Duff, Peterson, and Rush compartments (headwaters of Rush and Big Creeks) on the Kings River Ranger District, Sierra National Forest. The unusual mortality is being caused by drought and related insect infestation. The Front Country analysis area generally lies south of the Dinkey Creek Road (M330), west of Forest Service Road 10S17, north of Barnes Mountain and east of Sycamore Creek.

There are currently much higher than normal levels of tree mortality occurring throughout the Sierra National Forest as a result of five consecutive years of below normal precipitation. The Kings River Ranger District is proposing tractor harvest of 3.0 million board feet (MMBF) on approximately 9,000 acres, of which approximately 200 acres would be directly affected, and is proposing helicopter harvest of 1.5 MMBF on approximately 6,000 acres, of which approximately 100 acres would be directly affected. The proposed project involves no new road construction, but approximately 2.3 miles of road reconstruction is proposed on the tractor portion of the analysis area.

The drought has caused a high degree of stress within the trees, which reduces their natural defense mechanisms and weakens them to the extent that they are now predisposed to attack by bark and engraver beetles. Trees killed by insect attack deteriorate rapidly. This is particularly true of fir and pine trees in

the analysis area due to its low elevation.

Prompt removal of the dead and dying timber minimizes value and volume loss and provides for long-term protection from wildfire. Any unnecessary delays of the proposed salvage sales could delay harvesting until the 1992 logging season which would decrease the timber value by as much as \$100,000. In addition, excessive numbers of dead trees produce heavy fuel concentrations, which makes wildfire control extremely difficult. The analysis area lies within an area extremely vulnerable to fire and the accumulation of dead fuels compounds this problem.

The decision for the proposed projects is scheduled to be issued in early September 1991. If the projects are delayed because of an appeal (delays can be up to 100 days, with an additional 15-20 days for discretionary review by the Chief of the Forest Service), it is likely that the projects could not be implemented this field season. It is also likely that the helicopter portion of the proposed project could not be implemented at all due to the relatively high cost of harvest, and the lowered value of the dead and dying trees if they are allowed to deteriorate for another season. The significant deterioration of dead and dying timber would result in a loss of timber value which would cause a substantial monetary loss.

Pursuant to 36 CFR 217.4(a)(11), it is my decision to exempt from appeal the decision relating to the harvest and restoration of lands affected by drought induced timber mortality in the Blue, Duff, Peterson and Rush compartments of the Kings River Ranger District, Sierra National Forest. The environmental document being prepared will address the effects of the proposed actions on the environment, will document public involvement, and will address issues raised by the public.

**EFFECTIVE DATE:** This decision is effective August 30, 1991.

**FOR FURTHER INFORMATION CONTACT:** Questions about this decision should be addressed to Ed Whitmore, Timber Management Staff Director, Pacific Southwest Region, USDA Forest Service, 630 Sansome Street, San Francisco, CA, 94111, (415) 705-2648, or

to James L. Boynton, Forest Supervisor, Sierra National Forest, 1600 Tollhouse Road, Clovis, CA 93612, (209) 487-5155.

**ADDITIONAL INFORMATION:** The environmental analysis for this proposal will be documented in the Front Country Salvage Timber Sale environmental document. A public scoping notice was mailed out to 147 individuals and groups listed on the Sierra National Forest's public involvement list to provide information on the project and to generate public issues and concerns. The project files and related maps are available for public review at the Kings River Ranger District, 3489 Maxon Road, Sanger, California 93657.

The catastrophic damage presently occurring in the Blue, Duff, Peterson and Rush compartments involves approximately 15,000 acres. Within this area, approximately 300 acres that would be directly affected by harvest operations, with an associated volume of 4.5 MMBF, is presently being analyzed for salvage harvest in two timber sales. The value to the government of the salvage volume is estimated at \$225,000. This figure does not include the many jobs and thousands of dollars in benefits that are realized in related service, supply, and construction industries. Fresno County will share 25% of the selling value for any timber that is salvaged in a commercial timber sale. Rehabilitation and restoration measures will be necessary for watershed protection, erosion prevention and fuels reduction.

This proposal is not expected to adversely affect the eight pairs of California spotted owls that are within the planning area. A Biological Evaluation has been prepared and indicated "no effect" if the suggested mitigation measures are followed. Those measures will be followed in the implementation of the proposed projects. No Wild and Scenic Rivers, wetlands, wilderness areas, roadless areas, or threatened or endangered species are within the proposed project area.

Dated: August 23, 1991.

David M. Jay,

Deputy Regional Forester.

[FR Doc. 91-20819 Filed 8-29-91; 8:45 am]

BILLING CODE 3410-11-M

# **Elk Wild and Scenic River Management Plan, Siskiyou National Forest, Curry County, OR**

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of intent to prepare an environmental impact statement.

**SUMMARY:** Notice is hereby given that the Forest Service, USDA, will prepare an environmental impact statement (EIS) for a Wild and Scenic River Plan for designated sections of the Elk River on the Powers Ranger District.

Section 102(3)(a) of the Omnibus Oregon Wild and Scenic Rivers Act of 1988 designated sections of the Elk River as Wild and Scenic. Under this act, the Forest Service is required to prepare a comprehensive river management plan to provide protection of the river values. The level of management allowed on a Federal Wild and Scenic River depends on the classification of the river. On the Elk, 2.0 miles of the north fork from the falls to the confluence with the south fork were designated Wild and 17.0 miles from the confluence of the north and south forks to Anvil Creek were designated recreational.

The agency gives notice that the environmental analysis process for this plan, directed by the National Environmental Policy Act (NEPA), is underway. Interested and potentially affected persons along with Federal, State, and local agencies and interested publics will be invited to participate and contribute to the environmental analysis.

**DATES:** Written input concerning issues with this proposed action must be filed by October 1, 1991.

**ADDRESSES:** District Ranger, Powers Ranger District, Siskiyou National Forest, Powers, Oregon, 97466.

**FOR FURTHER INFORMATION:** Direct questions about the proposed action and EIS to Craig Snider, Project Leader, Powers Ranger District, Siskiyou National Forest, Powers, Oregon, 97466. Telephone: (503) 439-3011.

**SUPPLEMENTARY INFORMATION:** The purpose of this Forest Service proposed action is to follow Congressional direction under the Omnibus Oregon Wild and Scenic Rivers Act and to develop a comprehensive river management plan which protects and enhances outstandingly remarkable values and other river-related values.

Development of a management plan for the Wild and Scenic portions of the Elk river is also directed by the Siskiyou National Forest Land and Resource Management Plan of 1989. The Forest Plan allocates lands to fourteen land use management areas (MA's). Each MA is

governed by standards and guidelines (S&G's) which emphasize specific management goals. In the case of the Wild River (MA 2) and Recreation and Scenic River (MA 10) Forest Plan S&G's serve as interim guides for management decisions. In addition to MA 2&10, several other allocations are included in the Elk River Basin. Standards and Guidelines for each MA currently guide management decisions in the Elk River area.

The Forest Service Proposed Action will determine the following:

(a) What level of resource use and management is appropriate to protecting and enhancing outstandingly remarkable values and other significant river-related values;

(b) The desired future condition of the designated river segments with respect to their outstandingly remarkable values and other significant river-related values;

(c) The need to alter or expand the river corridor boundaries either in length or in width to preserve and facilitate management of river ecosystems;

(d) Whether Forest Plan management direction for land adjacent to Wild and Scenic segments is sufficient to assure protection and enhancement of outstandingly remarkable values and other significant river-related values;

(e) Levels of permissible public use including standards and guidelines for such uses;

(f) The need for any land acquisition;

(g) Whether specific management Standards and Guidelines will be used to implement the management objectives for each river segment; and

(h) The need for an amendment to the Land and Resource Management Plan for the Siskiyou National Forest.

Public input and internal agency scoping will be used to determine significant issues with the proposed action. These issues will in turn be used to develop alternatives to the proposed action. A no action alternative will also be analyzed.

The Forest Service is seeking input from individuals, organizations, and public agencies who may be interested in or affected by the proposed action. Public participation will be especially important at several points during the analysis. The Forest Service will be seeking information, comments, and assistance from Federal, State and local agencies and other individuals or organizations who may be interested in or affected by the proposed action. This input will be used in preparation of the draft EIS. The scoping process will include the following points:

(a) Identifying potential issues.

(b) Identifying issues to be analyzed in depth.

(c) Eliminating insignificant issues or those which are outside the scope of this analysis.

(d) Exploring a range of alternatives.

(e) Identifying potential environmental effects of the Proposed Action and alternatives (direct, indirect, cumulative effects and connected actions).

(f) Determining potential cooperating agencies and task assignments.

The Oregon State Parks and Recreation department will be invited to participate as a cooperating agency to evaluate potential impacts on the State Scenic Waterway segments of the Elk river and to develop a comprehensive river plan.

The Siskiyou National Forest will hold a public scoping meeting at the Community Building in Port Orford, Oregon, from approximately 2:30 p.m. to 8 p.m. on Tuesday, September 17, 1991.

Any additional meetings or information will be announced through mailings and through notices in local newspapers. Notices will also be published in the legal notices section of the Grants Pass Courier, Grants Pass, Oregon.

A mailing list has been compiled for the analysis. Interested individuals and agencies may have their names added to this list at any time by submitting a request to Craig Snider, Project Leader, Powers Ranger District, Siskiyou National Forest, Powers, Oregon, 97466.

The draft EIS should be available for public review and filed with the Environmental Protection Agency (EPA) by May 30, 1992. At that time, EPA will publish a Notice of Availability of the draft EIS in the **Federal Register**. The comment period on the draft EIS will be 45 days from the date the Environmental Protection Agency's notice of availability appears in the **Federal Register**.

The Forest Service believes it is important to give reviewers notice at this early stage of several court rulings related to public participation in the environmental review process. First, reviewers of a draft EIS must structure their participation in the environmental review of the proposal so that it is meaningful and alerts an agency to the reviewer's position and contentions. *Vermont Yankee Nuclear Power Corp. versus NRDC*, 435 U.S. 519, 553 (1978). Also, environmental objections which could be raised at the draft EIS stage but which are not raised until after completion of the final EIS may be waived or dismissed by the courts. *City of Angoon versus Hodel*, 803 F.2d. 1016.

1022 (9th Cir. 1986) and *Wisconsin Heritages, Inc. versus Harris*, 490 F. Supp. 1334, 1338 (E.D. Wis. 1980).

Because of these court rulings, it is very important that those interested in this proposed action participate by the close of the 45-day comment period so that substantive comments and objections are made available to the Forest Service at a time when it can meaningfully consider them and respond to them in the final EIS.

To assist the Forest Service in identifying and considering issues and concerns on the proposed action, comments on the draft EIS should be as specific as possible. It is also helpful if comments refer to specific pages or chapters of the draft statement. Comments may also address the adequacy of the draft EIS or the merits of the alternatives formulated and discussed in the statement. (Reviewer may wish to refer to the Council on Environmental Quality Regulations for implementing the procedural provisions of the NEPA at 40 CFR 1503.3 in addressing these points.)

The final EIS is expected to be available for public review by February 1993. In a final EIS, the Forest Service is required to respond to comments and responses received during the comment period which pertain to the environmental consequences discussed in the draft EIS and applicable laws, regulations, and policies contributing to the decision regarding the Proposed Action.

The responsible official is the Forest Supervisor. The responsible official will decide which of the alternatives, if any, considered in the environmental analysis will be implemented. The responsible official will document the decision and reasons for the decision in the Record of Decision. That decision will be subject to appeal under Forest Service Appeal Regulations at 36 CFR 217.

Dated: August 20, 1991.

J. Michael Lunn,  
Forest Supervisor.

[FR Doc. 91-20818 Filed 8-29-91; 8:45 am]

BILLING CODE 3410-11-M

**Ketchikan Pulp Company 50-Year Timber Sale Contract, Tongass National Forest, Ketchikan Area, Prince of Wales Island**

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of intent to prepare an environmental impact statement.

**SUMMARY:** The Department of

Agriculture, Forest Service, will prepare a site-specific Environmental Impact Statement (EIS) as part of its on-going commitment to provide timber to Ketchikan Pulp Company (KPC) under the terms of an existing timber sale contract. The Record of Decision (ROD) will decide how to provide sufficient harvest units, roads, and associated timber harvesting facilities to meet the operational needs of KPC for an estimated 2 to 3-year period. Harvest units will be located within the primary sale area boundaries, mainly on Prince of Wales Island.

**DATES:** Comments concerning the scope of the analysis should be received by September 30, 1991.

**ADDRESSES:** Written comments and suggestions concerning the scope of the analysis must be sent to Dave Rittenhouse, Forest Supervisor, Tongass National Forest, Ketchikan Area, Federal Building, Ketchikan, AK 99901.

**FOR FURTHER INFORMATION CONTACT:** Questions about the proposed action and environmental impact statement should be directed to Walter A. Dortch, Planning Staff Officer, Tongass National Forest, Ketchikan Area, Federal Building, Ketchikan, AK 99901, phone 907-225-3101.

**SUPPLEMENTARY INFORMATION:** The Agency proposes to authorize harvest of up to 290 MMBF of timber, and to construct roads and facilities necessary to transport this timber to salt water. The authorization is expected to include harvest of 6,000 to 11,000 acres of land within Management Areas K03, K06, K07, K08, K09, K10, K14, and K15, and will be made available to KPC, under the terms of the existing long-term timber sale contract, in several offerings.

The Responsible Official for this EIS is the Regional Forester, Michael A. Barton, who must decide on various unit locations and acreage necessary to meet the objectives of the EIS. He will select from a full array of alternatives presented in the EIS, including the alternative of "no action". Site-specific issues for this project are expected to include:

1. Do the harvest units being evaluated in the alternatives provide for an economically viable offering under the terms of the long-term timber sale contract?
2. What are the projected impacts to subsistence users of the land being proposed for timber harvest if harvest is authorized?
3. What are the effects of the harvest of timber and associated road construction on forest resources such as visual quality, fish and wildlife habitat,

and upon wildlife species thought to be dependent upon old-growth habitat. Mitigation measures, as well as standards and guidelines for setting harvest units and roads, will be prescribed in the EIS for each harvest unit and road being evaluated.

4. What are the projected cumulative environmental effects resultant from harvesting individual units and roads within these prescriptions? Do these prescriptions provide results consistent with the expectations of the Tongass National Forest Land Management Plan Land Use Designations for the sites being evaluated?

Public participation will be especially important at several points during the analysis. The first point is during the scoping process. The Forest Service will be seeking information, comments, and assistance from Federal, State, and local agencies, and other individuals or organizations who may be interested in, or affected by, the proposed action. This input will be used in preparation of the Draft Environmental Impact Statement (DEIS). Scoping is to begin in August 1991. Public meetings are planned for communities on Prince of Wales Island and Ketchikan in October 1991 and August 1992. Subsistence hearings, as provided for in ANILCA, are planned for July 1992. The DEIS should be filed with EPA April 1992, and the final EIS filed in December 1992.

The comment period on the DEIS will be 45 days from the date the Environmental Protection Agency's notice of availability appears in the *Federal Register*. It is very important that those interested in this proposed action participate at this time. To be the most helpful, comments on the DEIS statement should be as specific as possible, and may address the adequacy of the statement or the merits of the alternatives discussed. (See The Council on Environmental Quality Regulations for implementing the procedural provisions of the National Environmental Policy Act at 40 CFR 1503.3).

In addition, Federal court decisions have established that reviewers of DEIS statements must structure their participation in the environmental review of the proposal so that it is meaningful and alerts an agency to the reviewer's position and concerns. *Vermont Yankee Nuclear Power Corp. v. NRDC*, 435 U.S. 519, 553 (1978). Environmental objections that could have been raised at the draft stage may be waived if not raised until after completion of the final EIS. *City of Angoon v. Hodel, Harris*, (9th Circuit,



1986), and *Wisconsin Heritages, Inc. v. Harris*, 490 F. Supp. 1334, 1338 (E.D. Wis. 1980). The reason for this is to ensure that substantive comments and objections are made available to the Forest Service at a time when it can meaningfully consider them and respond to them in the final.

Permits required for implementation include the following:

1. U.S. Army Corps of Engineers:
  - Approval of the discharge of dredged or fill materials into waters of the United States, under section 404 of the Clean Water Act.
  - Approval of the construction of structures or work in navigable waters of the United States, under section 10 of the River and Harbor Act of 1899.
2. Environmental Protection Agency:
  - National Pollutant Discharge Elimination System (402) permit.
  - Review Spill Prevention Control and Countermeasure Plan.
3. State of Alaska, Department of Natural Resources:
  - Tideland Permit and Lease or Easement.
4. State of Alaska, Department of Environmental Conservation:
  - Solid Waste Disposal Permit.
  - Certification of Compliance with Alaska Water Quality Standards (401 Certification).

Michael A. Barton, Regional Forester, Region 10, Box 21628, Juneau, Alaska 99802, is the responsible official. The responsible official will consider the comments, responses, disclosure of environmental consequences, and applicable laws, regulations, and policies in making a decision regarding this proposal. The responsible official will document the decision and rationale in the ROD.

Dated: August 23, 1991.

William G. Edwards,  
Acting Regional Forester.

[FR Doc. 91-20782 Filed 8-29-91; 8:45 am]

BILLING CODE 3410-11-M

## Soil Conservation Service

### Watauga High School RC&D Measure, North Carolina

**AGENCY:** Soil Conservation Service, USDA.

**ACTION:** Notice of a finding of no significant impact.

**SUMMARY:** Pursuant to section 102(2)(c) of the Environmental Policy Act of 1969;

the Council on Environmental Quality Guidelines (40 CFR part 1500); and the Soil Conservation Service Guidelines (7 CFR part 650); the Soil Conservation Service, U.S. Department of Agriculture, gives notice that an environmental impact statement is not being prepared for the Watauga High School RC&D Measure, Watauga County, North Carolina.

#### FOR FURTHER INFORMATION CONTACT:

Mr Bobbye J. Jones, State Conservationist, 4405 Bland Road, Raleigh, North Carolina 27609; Phone (919) 790-2888.

**SUPPLEMENTARY INFORMATION:** The environmental assessment of this federally assisted action indicates that the project will not cause significant local, regional, or national impacts on the environment. As a result of these findings, Mr. Bobbye J. Jones, State Conservationist, has determined that the preparation and review of an environmental impact statement are not needed for this project.

The measure concerns a plan for reducing erosion and resulting sedimentation on the Watauga High School grounds. The planned works of improvement include installing a pipe drop structure, rock lined channels and earthen fill. Grading and shaping will be done to remove existing gullies. All disturbed areas will be seeded with adapted permanent vegetation.

The Notice of a Finding of No Significant Impact (FONSI) has been forwarded to the Environmental Protection Agency and to various Federal, State, and local agencies and interested parties. A limited number of copies of the FONSI are available to fill single copy requests at the above address. Basic data developed during the environmental assessment are on file and may be reviewed by contacting Mr. Bobbye J. Jones. No administrative action on implementation of the proposal will be taken until 30 days after the date of this publication in the *Federal Register*.

(This activity is listed in the Catalog of Federal Domestic Assistance under No. 10.901—Resource Conservation and Development—and is subject to the provisions of Executive Order 12372 which requires intergovernmental consultation with State and local officials.)

Dated: August 21, 1991.

Bobbye J. Jones,  
State Conservationist.

[FR Doc. 91-20783 Filed 8-29-91; 8:45 am]

BILLING CODE 3410-16-M

## DEPARTMENT OF COMMERCE

### Bureau of the Census

[Docket No. 910811-1211]

**Company Affiliation, Geographic Location, and Kind of Business for Establishments with Employees in Areas of Communications, Public Utilities, and Transportation; Finance, Insurance, and Real Estate; and Industry 8999—Services, Not Elsewhere Classified**

**AGENCY:** Bureau of the Census, Commerce.

**ACTION:** Notice of determination.

**SUMMARY:** In conformity with title 13, United States Code, sections 131, 182, 224, and 225 and due notice of consideration having been published on June 4, 1991 (56 FR 25405), I have determined that a 1992 Economic Census Affiliation Report is needed to maintain the Census Bureau file of company and establishment records and to update the Standard Statistical Establishment List. The survey is designated to collect information on the company affiliation, geographic location, and kind of business for establishments with employees in areas of communications, public utilities, and transportation; finance, insurance, and real estate; and Industry 8999—services, not elsewhere classified. These data will have significant application to the needs of the public and to governmental agencies and are not publicly available from nongovernmental or governmental sources.

**ADDRESSES:** Director, Bureau of the Census, Washington, DC 20233.

**FOR FURTHER INFORMATION CONTACT:** C. Harvey Monk on (301) 763-2536.

**SUPPLEMENTARY INFORMATION:** The data collected in this survey will be within the general scope, type, and character of that which is covered in the economic censuses.

The proposed survey has been submitted to the Office of Management and Budget in accordance with the Paperwork Reduction Act. Public Law 96-511, as amended. Report forms will be furnished to firms included in the survey, and additional copies of the form are available on request to the Director, Bureau of the Census, Washington, DC 20233.

I have, therefore, directed that a survey be conducted for the purpose of collecting these data.



Dated: August 23, 1991.

Barbara Everitt Bryant,  
Director, Bureau of the Census.  
[FR Doc. 91-20780 Filed 8-29-91; 8:45 am]  
BILLING CODE 3510-07-M

## Bureau of Export Administration

### Action Affecting Export Privileges; Delft Instruments N.V., et al.; Decision and Order on Renewal of Temporary Denial Order

In the matter of: Delft Instruments N.V., Oldelft, Old Delft, Olde Delft, Oude Delft, Delft Instruments Electro-Optics, Delft Electronische Products, and Optische Industrie Oude Delft with an address at: Van Mierevelstlaan 9 P.O. Box 72 Delft, Netherlands and OIP Instrubel with an address at: Rue De Sacqz 75 1060 Brussels, Belgium and Franke & Co. Optik GmbH with an address at: Philosophenstrasse 116 Postfach 5420 6300 Giessen/Lahn Germany, Respondents.

#### Background

On February 22, 1991, the Assistant Secretary for Export Enforcement issued an order temporarily denying the export privileges of Delft Instruments N.V., Oldelft, Old Delft, Olde Delft, Oude Delft, Delft Instruments Electro-Optics, Delft Electronische Products and Optische Industrie Oude Delft (hereafter collectively referred to as Delft) located in the Netherlands; OIP Instrubel (OIP), a Delft subsidiary located in Belgium, and Franke & Co. Optik GMBH (hereinafter referred to as Franke),<sup>1</sup> a Delft subsidiary located in Germany. This order expires on August 21, 1991. Pursuant to § 788.19 of the Export Administration Regulations (EAR), the Office of Export Enforcement, Bureau of Export Administration, United States Department of Commerce (the department), has requested that the Assistant Secretary renew the order and modify it to name as related persons all known Delft subsidiaries not previously named.

Delft, through its attorneys, opposed the department's request and sought a hearing as authorized in the Export Administration Regulations.<sup>2</sup> The hearing was held on August 19, 1991.

#### Discussion

##### a. Renewal of the Order

The sole and only issue is whether the order should be continued to "prevent an imminent violation" of the Export

Administration Regulations.<sup>3</sup> The primary evidence proffered by the department to show the imminence of a violation is the actions by Delft, Franke, and OIP in shipping U.S. origin goods controlled under the arms Export Control Act<sup>4</sup> to Iraq without obtaining the necessary authorization from the Department of State. Delft has generally admitted these violations but argues that since they involved munitions items they are not relevant to a temporary denial order under the Export Administration Act.<sup>5</sup> Additionally, Delft argues that it has terminated, reassigned, or disciplined the employees responsible for the shipments and is implementing an internal compliance program to prevent future violations.

Establishing prior violations of the Export Administration Regulations is one way to establish that an imminent violation is likely to occur. It is not the only way. Here, the department has established that Delft ignored U.S. export controls in the past and, given the gravity of that action may likely do it again. That the past violations were of munitions controls is no guarantee that Delft would not supply goods controlled under the EAR in a future violation.

Delft claims that it has taken remedial steps so that a future violation is no longer likely. The evidence shows, however, that while Delft has begun to implement internal control measures, it is too soon to determine whether they are sufficient to prevent future harm.<sup>6</sup> Additionally, the delay with which Delft has addressed this issue calls into question its sincerity. The record suggests that Delft has not used the time since the discovery of these violations wisely.

Other claims of Delft are not relevant to the question of whether a violation is imminent. For example, Delft claims that it has suffered great financial hardship because of the temporary denial order and will suffer even more in the future. There is no doubt that there has been harm to Delft, but that fact is not relevant. (There may be some limited probative value from this evidence since

the harm which Delft has suffered may have had some deterrent effect on its employees.<sup>7</sup>)

##### b. Addition of Related Persons

The EARs provide that:

"In order to prevent evasion or circumvention of the temporary denial order, the \* \* \* renewal thereof can name and deny export privileges to, in addition to any person designated as a respondent, any other person who is then related to the respondent by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business."<sup>8</sup>

The parties dispute the meaning of this provision. Delft argues that the first phrase establishes a burden of proof for the department which requires it to show that each of the proposed related persons would be likely to cause an imminent violation. The department on the other hand argues that the first phrase merely sets out the purpose for the rule, not a burden of proof.

Other provisions of the EAR's demonstrate that the department's interpretation is correct.<sup>9</sup> The only question is the relationship between the proposed related persons and the named respondents. Since there is no dispute of the relationship here, the proposed related persons must be added to the order.<sup>10</sup>

<sup>7</sup> The department has presented evidence which even calls this deterrent effect into question. Delft attempted to acquire goods after the denial order was in effect at a time when its attorneys had asked the department whether the denial order prohibited such action. While the import of this episode is disputed, it does not serve as evidence of any change in philosophy at Delft.

<sup>8</sup> EAR § 788.19(a)(2).

<sup>9</sup> There are several provisions of the EARs which clarify the intent to the Secretary in this regard. First, related persons may not oppose the issuance or renewal of the order. EAR § 788.19(d)(2)(ii). If a related person appeals, he may only raise the issue of the relationship. EAR § 788.19(e)(2)(ii).

A person related to a denied person, even without being named in an order, is usually covered by the terms of the order. A person may not engage in an export transaction if a person denied export privileges "may obtain any benefit" from that transaction. EAR § 787.(a)(2)(iii). (The order itself has similar language.) Clearly, Delft benefits from the sales of its related entities. Thus, naming all Delft-related entities only gives notice to the world about a preexisting legal disability.

<sup>10</sup> There are procedures for persons to seek to engage in a transaction otherwise prohibited by the order. After full notification of the facts, the Office of Export Licensing, in consultation with the Office of Export Enforcement, may authorize parties not named in the order to engage in transactions which would run afoul of it. EAR § 787.12(a). Such requests are dealt with on a case-by-case basis.

<sup>1</sup> "Franks & Co. Optik GmbH" in the order.

<sup>2</sup> EAR § 788.19(d)(2)(i).

<sup>3</sup> EAR § 788.19(d)(2)(i).

<sup>4</sup> 22 U.S.C. 2751, et seq.

<sup>5</sup> The Export Administration Act expired on September 30, 1990. Executive Order 12730 (55 FR 40373, October 2, 1990) continued the Export Administration Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701-1706).

<sup>6</sup> Department's counsel asserts that the remedial efforts are not supported by affidavits or declarations. While there is no requirement that Delft make its assertions under oath or penalty of perjury, its claim is composed of unsupported conclusions made by counsel.

### c. Length of the Extension

The department has asked that the order be renewed for the maximum period of 180 days. In the interest of justice, however, this matter should be concluded before that time if possible. As discussed above, Delft's assertions that it has remedied the problem are not fully substantiated. They are insufficient to rebut the department's strong showing that there is a possibility of an imminent violation. If, however, the measures which Delft claims it is taking are completed in good faith, that could have a substantial impact on the continuing need for a denial order of this scope in the future. Consequently, I am renewing the order for 90 days.

The renewal period of short duration may impose a significant burden on the department to review the internal control program of Delft. This burden is justified given the extraordinary nature of the temporary denial order remedy and its unquestioned impact upon Delft. On the other hand, Delft should understand that anything less than full implementation of the internal compliance program that it argues will prevent imminent violations before the expiration of the 90 days term will call into serious question Delft's assertions of a commitment to export control compliance. If the department is satisfied of the effectiveness of the internal control program and other concerns are resolved prior to the expiration of the order, the remaining portion of the renewal period may be suspended.<sup>11</sup>

### Findings

Based on the record of this matter including the submissions of the parties and the oral arguments at the hearing held on August 19, 1991, I find that it is necessary to renew the order temporarily denying the export privileges of Delft Instruments N.V., Oldelft, Old Delft, Olde Delft, Oude Delft, Delft Instruments Electro-Optics, Delft Electronische Products and Optische Industrie Oude Delft; OIP Instrubel, and Franke & Co. Optik GmbH, and to the related entities described in the department's request for renewal, in the public interest to prevent an imminent violation of the Act and the Regulations and to give notice to companies in the United States and abroad to cease dealing with these entities in goods and technical data subject to the Act and the Regulations,

<sup>11</sup> I express no view as to whether a working internal control program, by itself, would obviate the need for a further extension of the order.

in order to reduce the substantial likelihood that they will engage in activities which are in violation of the Act and the Regulations.

### Order

Accordingly, it is hereby *Ordered*:

I. All outstanding validated export licenses in which Delft Instruments N.V., Oldelft, Old Delft, Olde Delft, Oude Delft, Delft Instruments Electro-Optics, Delft Electronische Products and Optische Industrie Oude Delft, Van Miereveleltlaan 9, P.O. Box 72, Delft, Netherlands; OIP Instrubel, Rue De Sacqz 75, 1060 Brussels, Belgium, or Franks & Co. Optik, GMBH, Giessen, Germany, appear or participate, in any manner or capacity, are hereby revoked and shall be returned forthwith to the Office of Export Licensing for cancellation. Further, all of respondents' privileges of participating, in any manner or capacity, in any special licensing procedure, including, but not limited to, distribution licenses, are hereby revoked.

II. Respondents Delft, OIP and Franks, their successors or assignees, officers, partners, representatives, agents, and employees hereby are denied all privileges of participating, directly or indirectly, in any manner or capacity, in any transaction involving commodities or technical data exported or to be exported from the United States, in whole or in part, or that are otherwise subject to the Regulations. Without limiting the generality of the foregoing, participation, either in the United States or abroad, shall include participation, directly or indirectly, in any manner or capacity: (a) As a party or as a representative of a party to any export license application submitted to the department; (b) in preparing or filing with the department any export license application or reexport authorization, or any document to be submitted therewith; (c) in obtaining or using any validated or general export license or other export control document; (d) in carrying on negotiations with respect to, or in receiving, ordering, buying, selling, delivering, storing, using, or disposing of, in whole or in part, any commodities or technical data exported from the United States, or to be exported, and (e) in financing, forwarding, transporting, or other servicing of such commodities or technical data. Such denial of export privileges shall extend only to those commodities and technical data which are subject to the Act and the Regulations.

III. Such denial of export privileges shall extend not only to the respondent,

but also to its agents and employees and to any successor. After notice and opportunity for comment, such denial may be made applicable to any person, firm, corporation, or business organization with which either Delft, OIP or Franks is now or hereafter may be related by affiliation, ownership, control, position of responsibility, or other connection in the conduct of trade or related services. Business organizations and individuals now known to be owned by or affiliated with the named respondents, and which are accordingly subject to the provisions of this order are:

Delft Instruments Nederland BV, Van Miereveleltlaan 9, P.O. Box 5081, 2600 GB Delft, The Netherlands

BV Delft Electronische Producten, Dwazzeiewegen 2, P.O. Box 60, 9300 AB Roden, The Netherlands

Delft Instruments Electro-Optics BV, Van Miereveleltlaan 9, P.O. Box 5083, 2600 GB Delft, The Netherlands

Delft Instruments Medical Imaging BV, Van Miereveleltlaan 9, P.O. Box 5082, 2600 GB Delft, The Netherlands

Delft Instruments Medical Imaging BV, Vestiging Edisonstraat 22, P.O. Box 395, 8901 BD Leeuwarden, The Netherlands

Delft Instruments Physical Medicine BV, Rontgenweg 1, P.O. Box 810, 2600 AV Delft, The Netherlands

B.V. Enraf-Nonius Ermelo, Kerkdennen 36, P.O. Box 82, 3850 AB Ermelo, The Netherlands

B.V. Enraf-Nonius Limburg, Boschstraat 6, P.O. Box 75, 6440 AB Brunssum, The Netherlands

Delft Instruments Tank Gauging BV, Rontgenweg 1, P.O. Box 812, 2600 AV Delft, The Netherlands

Delft Instruments X-Ray Diffraction BV, Rontgenweg 1, P.O. Box 811, 2600 AV Delft, The Netherlands

Kipp & Zonen Delft BV, Mercuriusweg 1 P.O. Box 507, 2600 AM Delft, The Netherlands

Kipp & Zonen Veendam BV, De Zwaaiakom 16, P.O. Box 165, 9440 AD Veendam, The Netherlands

Linido BV, Weteringweg 7, P.O. Box 70, 2640 AB Pijnacker, The Netherlands

Delft Instruments International BV, Van Miereveleltlaan 9, P.O. Box 103, 2600 AC Delft, The Netherlands

Enraf-Nonius Company (Ltd Pts), 390 Central Avenue, Bohemia, New York 11716 USA

Enraf-Nonius France S.A., 28 Ter Avenue de Versailles, F-93220 Gagny, France  
S.a.r.l.E.E.E.I. 38 Avenue Jose Nobre, 13500 Martiques, France

Enraf-Nonius GmbH, Obere Dammstrabße 8-10, Postfach 101023, D-5650 Solingen 1, Germany

Enraf-Nonius Ltd., Highview House, 165 Station Road, Edgware, Middlesex HA8, 7JU, United Kingdom

Enraf-Nonius Scandinavia A/S,  
Hammerholmen 391, DK-2650 Hvidovre,  
Denmark

Enraf-Nonius Tank Inventory System Inc.,  
12503 Exchange Drive, Suite 538,  
Stafford, Texas 77477 USA

Steeg & Reuter Prazisionsoptik GmbH,  
Philosophenstrabße 116, Postfach 5420,  
6300 Giessen/Lahn, Germany

Instrubel NV, Westerring 19, B-9700  
Oudenaarde, Belgium

P.J. Kipp Vertriebs GmbH, Obere  
Dammstrabße 8-10, Postfach 101023, D-  
5650 Solingen 1, Germany

OIP NV, Westerring 21, B-9700 Oudenaarde,  
Belgium

Oldelft Crop. of America, 2735 Dorr Avenue,  
Fairfax, Virginia 22031 USA

Oldelft Electronic Instruments Srl, Via G.  
Armellini 20, 00143 Rome, Italy

Oldelft (Far East) Ltd., 7/F Wang Kee  
Building, 34-37 Connaught Road, Central  
Hong Kong

Oldelft International Trading Cy. NV, Kaya  
Flamboyen 9, Willemstad, Curacao/N.A.

Oldelft Japan Ltd., Kowa Building, 5th Floor,  
no. 6, 4-15-21 Nishi-Azabu, Minato-Ku,  
Tokyo 106, Japan

STS Forest V.O.F., Delft, The Netherlands

Revalin Instruments B.V., Delft, The  
Netherlands

Tropex A.G., Zurich, Switzerland

Datagraph A.G., Zug, Switzerland

Nederlandsch Indische Export Maatschappij  
B.V., Delft, The Netherlands

Industriele Houdster Maatschappij Odelca  
B.V., Delft, The Netherlands

Nederlandsch Optieken Instrumentenfabriek  
Dr. C.E. Bleeker B.V., Delft, The  
Netherlands

Beheermaatschappij Electropik B.V., Delft,  
The Netherlands

Beheermaatschappij Oldelft B.V., Delft, The  
Netherlands

B.V. Enraf-Nonius Onroerend Goed, Delft,  
The Netherlands

B.V. Enraf-Nonius Technology, Delft, The  
Netherlands

Enfarm B.V., Delft, The Netherlands

Enrafimo, Delft, The Netherlands

Frantz Imaging, Inc., Irvine, California U.S.A.

Promicro, London, England

Linido Chattanooga, Chattanooga,  
Tennessee

Enraf-Nonius Ibericas, S.A., Madrid, Spain

IV. No person, firm, corporation, partnership or other business organization, whether in the United States or elsewhere, without prior disclosure to and specific authorization from the Office of Export Licensing shall, with respect to U.S.-origin commodities and technical data, do any of the following acts, directly or indirectly, or carry on negotiations with respect thereto, in any manner or capacity, on behalf of or in any association with any respondent or any related party, or whereby any respondent or any related party may obtain any benefit therefrom or have any interest or participation therein, directly or indirectly: (a) Apply for,

obtain, transfer, or use any license, Shipper's Export Declaration, bill of lading, or other export control document relating to any export, reexport, transshipment, or diversion of any commodity or technical data exported in whole or in part, or to be exported by, to, or for any respondent or any related party denied export privileges or (b) order, buy, receive, use, sell, deliver, store, dispose of, forward, transport, finance, or otherwise service or participate in any export, reexport, transshipment, or diversion of any commodity or technical data exported or to be exported from the United States and subject to the Act and the Regulations.

V. In accordance with the provisions of § 788.19(d) of the Regulations, any respondent may, at any time appeal this temporary denial order by filing with the office of the Administrative Law Judge, U.S. Department of Commerce, room H-6716, 14th Street and Constitution Avenue, NW., Washington, DC 20230, a full written statement in support of the appeal.

VI. This order is effective immediately and shall remain in effect for 90 days.

VII. In accordance with the provisions of § 788.19(d) of the Regulations, the Department may seek renewal of this temporary denial order by filing a written request not later than 20 days before the expiration date. Any respondent may oppose a request to renew this temporary denial order by filing a written submission with the Assistant Secretary for Export Enforcement, which must be received not later than seven days before the expiration date of this order.

VII. Department's counsel shall serve a copy of this order on each respondent and related person named herein. Further, department's counsel shall either cause this Decision and Order to be published in the **Federal Register**, or prepare and propose a shorter version of this document for the purpose of **Federal Register** publication and notification to the public. Such proposed order shall be served on opposing counsel prior to submission to me.

Dated: August 21, 1991.

**Kenneth A. Cutshaw,**  
*Acting Assistant Secretary for Export Enforcement, Bureau of Export Administration, U.S. Department of Commerce.*

[FR Doc. 91-20719 Filed 8-29-91; 8:45 am]

BILLING CODE 3510-0T-M

## International Trade Administration

[A-427-098]

### Anhydrous Sodium Metasilicate From France; Final Results of Antidumping Duty Administrative Review

**AGENCY:** International Trade Administration/Import, Administration, Department of Commerce.

**ACTION:** Notice of final results of antidumping duty administrative review.

**SUMMARY:** On June 12, 1991, the Department of Commerce published the preliminary results of its administrative review of the antidumping duty order on Anhydrous Sodium Metasilicate from France. The review covers one producer/exporter of the merchandise to the United States and the period January 1, 1990, through December 31, 1990. We gave interested parties an opportunity to comment on our preliminary results. We received no comments. The final results are unchanged from those presented in the preliminary results of review.

**EFFECTIVE DATE:** August 30, 1991.

**FOR FURTHER INFORMATION CONTACT:** Lisa Boykin or Robert Marenick, Office of Antidumping Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 377-5255.

#### SUPPLEMENTARY INFORMATION:

##### Background

On June 12, 1991, the Department of Commerce (the Department) published in the **Federal Register** (56 FR 26976) the preliminary results of its administrative review of the antidumping duty order on Anhydrous Sodium Metasilicate from France. The Department has now completed that administrative review in accordance with section 751 of the Tariff Act of 1930, as amended, (the Act).

##### Scope of Review

The merchandise covered by this review is Anhydrous Sodium Metasilicate. During the period of review the merchandise was classifiable under the Harmonized Tariff Schedule (HTS) numbers 2839.11.00 and 2839.19.00. The HTS item numbers are provided for convenience and customs purposes. The written description remains dispositive.

This review covers one producer/exporter of Anhydrous Sodium Metasilicate from France to the United States, Rhone Poulenc Chimie de Base, and the period January 1, 1990, through December 31, 1990.

### Final Results of Review

We invited interested parties to comment on the preliminary results. We received no comments. The final results are unchanged from those presented in the preliminary results of review. We determine that a margin of 60 percent exists for the period January 1, 1990, through December 31, 1990, based upon the last reviewed period in which there were shipments.

Furthermore, as provided by section 751(a)(1) of the Act, a cash deposit of estimated antidumping duties based on the above margin shall be required on shipments of Anhydrous Sodium Metasilicate by Rhone Poulenc Chimie de Base. The cash deposit rate for any shipments of this merchandise produced or exported by any producers/exporters not covered in this review, but assigned a rate in the investigation or a previous review, will continue to be at the latest rate applicable to each of those firms. The cash deposit rate for all other exporters/producers not covered in this or any prior administrative review, and who are unrelated to Rhone Poulenc Chimie de Base or any previously reviewed firm, will be the same as the rate established for Rhone Poulenc Chimie de Base.

These cash deposit requirements are effective for all shipments of Anhydrous Sodium Metasilicate from France entered or withdrawn from warehouse for consumption on or after the date of publication of this notice, and shall remain in effect until publication of the final results of the next administrative review.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and (19 CFR 353.22).

Dated: August 21, 1991.

Marjorie A. Chorlins,  
Acting Assistant Secretary for Import  
Administration.

[FR Doc. 91-20905 Filed 8-29-91; 8:45 am]

BILLING CODE 3510-DS-M

### Short-Supply Determination: Withdrawal of Request for Certain Mirror-Polished Stainless Steel Sheet

**AGENCY:** Import Administration/  
International Trade Administration,  
Commerce.

**ACTION:** Notice of withdrawal of a request for a short-supply determination on certain mirror-polished stainless steel sheet with non-directional unbroken mirror finish.

**SUMMARY:** On August 22, 1991, Clark Metals, Inc. ("Clark") submitted a letter

to the Secretary of Commerce ("Secretary") withdrawing its July 25, 1991, request, under the U.S.-Japan steel arrangement, for a short-supply allowance for 150 metric tons of certain mirror-polished stainless steel sheet with a non-directional mirror finish for the period October 1991 through March 1992.

**SHORT-SUPPLY REVIEW NUMBER:** 55.

**EFFECTIVE DATE:** August 23, 1991.

**SUPPLEMENTAL INFORMATION:** On July 25, 1991, Clark requested a short-supply allowance for 150 metric tons of certain mirror-polished stainless steel sheet with a non-directional mirror finish under Article 8 of the Arrangement Between the Government of Japan and the Government of the United States of America Concerning Trade in Certain Steel Products (the "U.S.-Japan arrangement") because domestic producers could not meet its needs for the period October 1991 through March 1992 and because it could not obtain sufficient supplies through regular export licenses to meet its needs for this period.

The Secretary established an official record on this short-supply request on July 25, 1991 (Case Number 55) in the Central Records Unit, room B-099, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Section 4(b)(4)(B)(i) of the Steel Trade Liberalization Program Implementation Act, Public Law No. 101-221, 103 Stat. 1886 (1989) ("the Act"), and § 357.106(b)(2) of the Department of Commerce's Short-Supply Procedures, (19 CFR 357.106(b)(2)) ("Commerce's Short-Supply Procedures"), require the Secretary to make a determination with respect to a short-supply petition not later than the 30th day after the petition is filed, unless the Secretary finds that one of the following conditions exists: (1) The raw steelmaking capacity utilization in the United States equals or exceeds 90 percent; (2) the importation of additional quantities of the requested steel product was authorized by the Secretary during each of the two immediately preceding years; or (3) the requested steel product is not produced in the United States. The Secretary found that none of these conditions exists with respect to the requested product and, therefore, considered this review under the 30-day guidelines. On August 6, 1991, the Secretary published a notice in the *Federal Register* announcing a review of this request and providing domestic steel producers/polishers an opportunity to comment. This notice stated that the Secretary would make a determination on this

short-supply review not later than August 23, 1991. On August 22, 1991, Clark submitted a letter to the Secretary indicating that it was withdrawing its July 25, 1991, request.

**CONCLUSION:** The Secretary considers Clark's July 25, 1991, petition for a short-supply allowance to be withdrawn. The Secretary's short-supply review with respect to the requested non-directional, mirror-polished stainless steel sheet is hereby terminated.

Marjorie A. Chorlins,

Acting Assistant Secretary for Import  
Administration.

[FR Doc. 91-20906 Filed 8-29-91; 8:45 am]

BILLING CODE 3510-DS-M

### National Institute of Standards and Technology

[Docket No. 910807-1207]

RIN 0693-AA86

### A Proposed Federal Information Processing Standard for Digital Signature Standard (DSS)

**AGENCY:** National Institute of Standards  
and Technology (NIST), Commerce.

**ACTION:** Notice; request for comments.

**SUMMARY:** A Federal Information Processing Standard (FIPS) for Digital Signature Standard (DSS) is being proposed. This proposed standard specifies a public-key based digital signature algorithm (DSA) appropriate for Federal digital signature applications. The proposed DSS uses a public key to verify to a recipient the integrity of data and the identity of the sender of the data. The DSS can also be used by a third party to ascertain the authenticity of a signature and the data associated with it.

This proposed standard adopts a public-key signature system that uses a pair of transformations to generate and verify a digital value called a signature. The government has applied to the U.S. Patent Office for a patent on this technique. The government will also seek foreign patents as appropriate. NIST intends to make this DSS technique available world-wide on a royalty-free basis in the public interest. We believe this technique is patentable and that no other patents would apply to the DSS, but we cannot give firm assurances to such effect in advance of issuance of the patent.

The purpose of this notice is to solicit views from the public, manufacturers, and Federal, state, and local government users so that their needs can be considered prior to submission of this

proposed standard to the Secretary of Commerce for review and approval.

The proposed standard contains two sections: (1) An announcement section, which provides information concerning the applicability, implementation, and maintenance of the standard; and (2) a specifications section which deals with the technical aspects of the standard. Only the announcement section of the standard is provided in this notice. Interested parties may obtain copies of the specifications section from the Standards Processing Coordinator (ADP), National Institute of Standards and Technology, Technology Building, room B-64, Gaithersburg, MD 20899, telephone (301) 975-2816.

**DATES:** Comments on this proposed standard must be received on or before November 29, 1991.

**ADDRESSES:** Written comments concerning the proposed standard should be sent to: Director, Computer Systems Laboratory, ATTN: Proposed FIPS for DSS, Technology Building, room B-154, National Institute of Standards and Technology, Gaithersburg, MD 20899.

Written comments received in response to this notice will be made part of the public record and will be made available for inspection and copying in the Central Reference and Records Inspection Facility, room 6020, Herbert C. Hoover Building, 14th Street between Pennsylvania and Constitution Avenue, NW., Washington, DC 20230.

**FOR FURTHER INFORMATION CONTACT:** Mr. Miles Smid, National Institute of Standards and Technology, Gaithersburg, MD 20899, telephone (301) 975-2938.

**SUPPLEMENTARY INFORMATION:** This proposed FIPS is the result of evaluating a number of alternative digital signature techniques. In making the selection, the NIST has followed the mandate contained in section 2 of the Computer Security Act of 1987 that NIST develop standards and guidelines to " \* \* \* assure the cost-effective security and privacy of sensitive information in Federal systems". In meeting this statutory responsibility, NIST has placed primary emphasis on selecting the technology that best assures the appropriate security of Federal information and, among technologies offering comparable protection, on selecting the option with the most desirable operating and use characteristics.

Among the factors that were considered during this process were the level of security provided, the ease of implementation in both hardware and software, the ease of export from the

U.S., the applicability of patents, impact on national security and law enforcement and the level of efficiency in both the signing and verification functions. A number of techniques were deemed to provide appropriate protection for Federal systems. The technique selected has the following desirable characteristics:

- NIST expects it to be available for public use on a royalty-free basis. Broader use of this technique resulting from public availability should be an economic benefit to the government and the public.
- The technique selected provides for efficient implementation of the signature operations in smart card applications. In these applications the signing operations are performed in the computationally modest environment of the smart card while the verification process is implemented in a more computationally rich environment such as a personal computer, a hardware cryptographic module, or a mainframe computer.

NIST has received agreement from Department of Defense authorities that this digital signature technique may be used to sign unclassified data processed by "Warner Amendment" systems (10 U.S.C. 2315 and 44 U.S.C. 3502(2)) as well as classified data in selected applications.

A hashing function has not been specified by NIST at this time for use with the DSS. NIST has been reviewing various candidate hashing functions; however, we are not satisfied with any of the functions we have studied thus far. NIST does intend to publish a hashing function that is complementary to the DSS.

Dated: August 26, 1991.

John W. Lyons,  
Director.

Federal Information Processing Standards  
Publication XX

DRAFT 1991 August 19 DRAFT  
Announcing a Digital Signature Standard

Federal Information Processing Standards Publications (FIPS PUBS) are issued by the National Institute of Standards and Technology (NIST) after approval by the Secretary of Commerce pursuant to section 111(d) of the Federal Property and Administrative Services Act of 1949 as amended by the Computer Security Act of 1987, Public Law 100-235.

*Name of Standard:* Digital Signature Standard.

*Category of Standard:* ADP Operations, Computer Security.

*Explanation:* This Standard specifies a Digital Signature Algorithm (DSA) appropriate for applications requiring a

digital rather than written signature. The DSA digital signature is a pair of large numbers represented in a computer as strings of binary digits. The digital signature is computed using a set of rules (i.e., the DSA) and a set of parameters such that it can be used to verify the identity of the originator and integrity of the data. The DSA includes signature generation and verification. Generation makes use of a private key to generate a digital signature. Verification of the signature makes use of a public key which corresponds to, but is not the same as, the private key used to generate the signature. Each user possesses a private and public key pair. Public keys are assumed to be known to all members of a group of users or to the public in general. Private keys must be known only by their creators. Anyone can verify the signature of a user by employing that user's public key. Signature generation can be performed only by the possessor of the user's private key.

A hash function is used in the signature generation process to obtain a condensed version of data, called a message digest. The message digest is then signed. The digital signature is sent to the intended recipient along with the signed data (often called the message). The recipient of the message and signature verifies the signature by using the sender's public key. The same hash function must also be used in the verification process. The hash function will be specified in a separate standard. Similar procedures may be used to generate and verify signatures for stored as well as transmitted data.

*Approving Authority:* Secretary of Commerce.

*Maintenance Agency:* Computer Systems Laboratory, National Institute of Standards and Technology.

*Applicability:* This standard is applicable to all federal departments and agencies for the protection of unclassified information that is not subject to section 2315 of title 10, United States Code, or section 3502(2) of title 44, United States Code. This standard shall be used in designing and implementing public-key based signature systems which Federal departments and agencies operate or which are operated for them under contract. Private and commercial organizations are encouraged to adopt and use this standards.

*Applications:* The DSA authenticates the integrity of the signed data and the identity of the signer. The DSA may also be used in proving to a third party that data was actually signed by the generator of the signature. The DSA is intended for use in electronic mail, electronic funds transfer, electronic data interchange, software distribution, data storage, and other applications which require data integrity assurance and data origin authentication.

*Implementations:* The DSA may be implemented in software, firmware or hardware. Only implementations of the DSA that are validated by NIST will be considered as complying with this standard. Information about the requirements for validating implementations of this standard can be obtained from the National Institute of Standards and Technology, Computer

Systems Laboratory, Attn: DSS Validation, Gaithersburg, MD 20899.

**Export Control:** Implementations of this standard are subject to Federal Government export controls as specified in title 15, Code of Federal Regulations, parts 768 through 799. Exporters are advised to contact the Department of Commerce, Bureau of Export Administration for more information.

**Patents:** Implementations of the DSA in this standard may be covered by U.S. and foreign patents.

**Implementation Schedule:** This standard is effective six months after publication in the **Federal Register** announcing approval by the Secretary of Commerce.

**Specifications:** Federal Information Processing Standard (FIPS XX) Digital Signature Standard (affixed).

**Cross Index:**

a. FIPS PUB 46-1, Data Encryption Standard.

b. FIPS PUB 73, Guidelines for Security of Computer Applications.

c. FIPS PUB 140-1, Security Requirements for Cryptographic Modules.

**Qualifications:** The security of a digital signature system is dependent on maintaining the secrecy of users' private keys. Users must therefore guard against the unauthorized acquisition of their private keys. While it is the intent of this standard to specify general security requirements for generating digital signatures, conformance to this standard does not assure that a particular implementation is secure. The responsible authority in each agency or department shall assure that an overall implementation provides an acceptable level of security. This standard will be reviewed every five years in order to assess its adequacy.

**Waiver Procedure** Under certain exceptional circumstances, the heads of Federal departments and agencies may approve waivers to Federal Information Processing Standards (FIPS). The head of such agency may redelegate such authority only to a senior official designated pursuant to section 3506(b) of Title 44, United States Code. Waiver shall be granted only when:

a. Compliance with a standard would adversely affect the accomplishment of the mission of an operator of a Federal computer system; or

b. Compliance with a standard would cause a major adverse financial impact on the operator which is not offset by Government-wide savings.

Agency heads may act upon a written waiver request containing the information detailed above. Agency heads may also act without a written waiver request when they determine that conditions for meeting the standard cannot be met. Agency heads may approve waivers only by a written decision which explains the basis on which the agency head made the required finding(s). A copy of each decision, with procurement sensitive or classified portions clearly identified, shall be sent to: National Institute of Standards and Technology; ATTN: FIPS Waiver Decisions, Technology Building, room B-154, Gaithersburg, MD 20899.

In addition, notice of each waiver granted and each delegation of authority to approve waivers shall be sent promptly to the

Committee on Government Operations of the House of Representatives and the Committee on Government Affairs of the Senate and shall be published promptly in the **Federal Register**.

When the determination on a waiver applies to the procurement of equipment and/or services, a notice of the waiver determination must be published in the **Commerce Business Daily** as a part of the notice of solicitation for offers of an acquisition or, if the waiver determination is made after that notice is published, by amendment to such notice.

A copy of the waiver, any supporting documents, the document approving the waiver and any accompanying documents, with such deletions as the agency is authorized and decides to make under 5 United States Code section 552(b), shall be part of the procurement documentation and retained by the agency.

**Where to Obtain Copies of the Standard:** Copies of this publication are for sale by the National Technical Information Service, U.S. Department of Commerce, Springfield, VA 22161. When ordering, refer to Federal Information Processing Standards Publication XX (FIPS PUB XX), and identify the title. When microfiche is desired, this should be specified. Prices are published by NTIS in current catalogs and other issuances. Payment may be made by check, money order, deposit account or charged to a credit card accepted by NTIS.

[FR Doc. 91-20774 Filed 8-29-91; 8:45 am]

BILLING CODE 3510-CN-M

## National Oceanic and Atmospheric Administration

[Docket No. 910801-1201]

### Atlantic Swordfish Fishery

**AGENCY:** National Marine Fisheries Service (NMFS), NOAA, Commerce.

**ACTION:** Notice of control date for entry into the Atlantic swordfish fishery.

**SUMMARY:** This notice announces that anyone entering the Atlantic swordfish fishery after August 30, 1991 (control date), may not be assured of future access to the swordfish fishery in the Atlantic Ocean if a management regime is developed and implemented under the Magnuson Fishery Conservation and Management Act (Magnuson Act) and/or the Atlantic Tunas Convention Act (ATCA) that limits the number of participants in the fishery. This notice is intended to promote awareness of potential eligibility criteria for access to the Atlantic swordfish fishery and to discourage new entries into the fishery based on economic speculation while the Secretary of Commerce (Secretary) contemplates whether and how fishery access to the Atlantic swordfish resource should be controlled. This announcement does not prevent

establishment of any other date for eligibility in the fishery or another method of controlling fishing effort from being proposed or implemented by the Secretary.

#### FOR FURTHER INFORMATION CONTACT:

Richard B. Stone, 301-427-2347.

#### SUPPLEMENTARY INFORMATION:

The Atlantic swordfish fishery is managed under the Fishery Management Plan for Atlantic Swordfish (FMP) and its implementing regulations at 50 CFR part 630 under the authority of the Magnuson Act. The FMP was prepared by the five fishery management councils with jurisdiction over the waters off the east coast, the Gulf of Mexico, and the Caribbean Sea. The Fishery Conservation Amendments of 1990, Public Law 101-627, transferred management authority over the Atlantic swordfish fishery to the Secretary. By emergency rule published June 12, 1991 (56 FR 26934), the Secretary implemented management measures under the authority of the Magnuson Act to reduce significantly the fishing mortality on Atlantic swordfish. The emergency rule discusses the status of the swordfish resource and the management measures. The Secretary intends to publish permanent regulations under the authorities of the Magnuson Act and the ATCA that will govern fishing by vessels of the United States throughout the range of the North Atlantic swordfish stock, that is, the North Atlantic Ocean, including the Gulf of Mexico and Caribbean Sea, north of 5°N. latitude.

One of the concerns of the swordfish industry and the Secretary is that current participants in the fishery who will bear the brunt of the management restrictions on the fishery may not be the ones to whom future benefits accrue. To address this concern and to avoid speculative entry into a fishery that is overfished and overcapitalized, the Secretary is establishing a control date for possible limited entry. The date selected is the date of publication of this notice in the **Federal Register**. Vessels which have not entered the fishery prior to this date may not be allowed entry into the fishery should a limited entry program be developed. For the purposes of this notice, NMFS has not developed specific criteria to define entry into the fishery. In most cases, entry into the fishery means either purchase of a vessel or vessel permit, investment in the construction or modification of a vessel or gear for the purpose of fishing for swordfish, the documented landing of a specified quantity of swordfish, or a specified number of swordfish landings.



The Secretary may adopt one or more of these definitions of entry into the fishery at the time a limited access regime is proposed, but may choose other options as well.

In establishing a control date and making this announcement, the Secretary intends to discourage speculative entry into the swordfish fishery while possible limited entry or access-controlled management regimes for the fishery are being considered.

Speculative entry into a fishery often is responsible for a rapid increase in fishing effort in fisheries already fully or over-developed. Those seeking possible windfall gain from a potential management change can exacerbate the original problems. To help distinguish *bona fide* and established swordfish fishermen from speculative entrants to the fishery, a control date may be set before beginning discussions and planning of limited access regimes. As a result, fishermen are notified that entering the fishery after that date will not necessarily assure them of future access to the fishery resource on grounds of previous participation.

This establishment of a control date does not commit the Secretary to any particular management regime or criterion for entry into the Atlantic swordfish fishery. Fishermen are not guaranteed future participation in the swordfish fishery regardless of their date of entry or intensity of participation in the fishery before or after the control date. The Secretary may subsequently choose a different control date, or he may choose a management regime that does not make use of such a date. The Secretary is free to apply other qualifying criteria for fishery entry. The Secretary may give varying considerations to fishermen in the fishery before and after the control date. Finally, the Secretary may choose to take no further action to control entry or access to the fishery.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: August 26, 1991.

Samuel W. McKeen,

Acting Assistant Administrator for Fisheries,  
National Marine Fisheries Service.

[FR Doc. 91-20868 Filed 8-29-91; 8:45 am]

BILLING CODE 3510-22-M

#### **Oceanic and Atmospheric Management Advisory Committee; Open Meeting**

**AGENCY:** National Oceanic and Atmospheric Administration (NOAA), Commerce.

**SUMMARY:** The Oceanic and Atmospheric Management Advisory

Committee (OAMAC) was established by the Secretary of Commerce on July 2, 1990, to advise the Secretary on issues related to the management of oceanic and atmospheric resources that fall within the legislative and administrative purview of the National Oceanic and Atmospheric Administration (NOAA). This Committee will review, on a selective basis, Earth systems research and data management, the status of marine and atmospheric science, service programs of NOAA, and NOAA's laboratories, fleet, satellites and supercomputers, and their application to resource management and to products and services beneficial to the American public.

**TIME AND PLACE:** September 30, 1991, from 1:30 p.m. to 5 p.m. at the Herbert Clark Hoover Building (HCHB), Room 4830, 14th Street and Constitution Avenue, NW., Washington, DC 20230, and on October 1, 1991, from 8:30 a.m. to 12 noon at the Jefferson Hotel, 1200 16th Street, NW., Washington, DC 20036.

**AGENDA:** This is the first meeting of OAMAC. The agenda will include an orientation for the 15 Committee members of NOAA and the Department of Commerce organizational and administrative matters, as well as an introduction to the key areas of NOAA activity where the Committee's input is anticipated: Modernization and the associated restructuring of the National Weather Service; fleet and aircraft modernization; public/private sector partnerships to develop education programs for National Marine Sanctuaries; and efforts to urge other nations to join with the United States in enforcing international conservation treaties.

**PUBLIC PARTICIPATION:** The meeting will be opened to public participation. Seats will be available on a first-come first-served basis.

**FOR FURTHER INFORMATION CONTACT:** Mr. R.A. Edwards, Deputy Assistant Secretary of Commerce for Oceans and Atmosphere, room 5804, Hoover Building, Department of Commerce, 14th and Constitution Avenue, NW., Washington, DC 20230. Telephone: (202) 377-3567.

Dated: August 26, 1991.

Doris M. Kohler,

NOAA, Committee Control Officer.

[FR Doc. 91-20922 Filed 8-29-91; 8:45 am]

BILLING CODE 3510-08-M

#### **Marine Mammals**

**AGENCY:** National Marine Fisheries Service NOAA, Commerce.

**ACTION:** Modification No. 1 to Permit No. 619 (P406).

Notice is hereby given that pursuant to the provisions of §§ 216.33(d) and (e) of the Regulations Governing the Taking and Importing of Marine Mammals (50 CFR part 216), Scientific Research Permit No. 619 issued to Dr. R.H. Defran, Director, Cetacean Behavior Laboratory, Department of Psychology, College of Sciences, San Diego State University, San Diego, California 92182-0350 is hereby modified.

The Modification extends the expiration date of the Permit from date of issuance through December 31, 1992. In addition, a new paragraph "c" is added to section A.1 of the Permit to more objectively define a "take" under this Permit. Special Condition B.5 which defines required reports is revised to clarify what information is requested in the annual reports. All other conditions currently contained in the Permit will remain in effect.

Documents submitted in connection with this modification are available for review by appointment in the following offices:

Permits Division, Office of Protected Resources, National Marine Fisheries Service, 1355 East-West Highway, SSMC1, room 7324, Silver Spring, Maryland 20910 (301/427-2289); and

Director Southwest Region, National Marine Fisheries Service, NOAA, 300 South Ferry Street, Terminal Island, California 90731-7415 (213/514-6196).

Dated: August 26, 1991.

Nancy Foster,

Director, Office of Protected Resources,  
National Marine Fisheries Service.

[FR Doc. 91-20908 Filed 8-29-91; 8:45 am]

BILLING CODE 3510-22-M

#### **COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED**

##### **Procurement List; Additions**

**AGENCY:** Committee for Purchase from the Blind and Other Severely Handicapped.

**ACTION:** Additions to Procurement List.

**SUMMARY:** This action adds to the Procurement List commodities to be furnished by nonprofit agencies employing the blind or other severely handicapped.

**EFFECTIVE DATE:** September 30, 1991.

**ADDRESSES:** Committee for Purchase from the Blind and Other Severely Handicapped, Crystal Square 5, suite

1107, 1755 Jefferson Davis Highway, Arlington, Virginia 22202-3509.

**FOR FURTHER INFORMATION CONTACT:** Beverly Milkman (703) 557-1145.

**SUPPLEMENTARY INFORMATION:** On May 3, 1991, the Committee for Purchase from the Blind and Other Severely Handicapped published notice (56 FR 20414) of proposed additions to the Procurement List. Comments were received from a current contractor for the tunic during the development phase of the proposed addition of this item to the Procurement List. The contractor claimed that the proposed addition would put a number of its employees out of work and questioned the Committee's using contractor sales figures to assess the impact of a proposed addition rather than relying on the contractor's claim that the industry cannot afford to lose the business to the Committee's program. The contractor noted that the Committee had added a poncho to the Procurement List when it was a current contractor for that item.

While the Committee also looks at other factors in assessing impact of an addition to the Procurement List on a current contractor, it relies on contractor sales figures because they provide an easily quantifiable measure of the impact of losing a certain amount of Government contract revenues. In both the current addition and that of the ponchos this contractor has not provided sales figures, even though it was told that the Committee has generally not found serious adverse impact where firms have failed to provide sales data to confirm impact claims. The Contractor has also not provided data to confirm its claims of employee job loss and industry impact. Consequently, the Committee has determined that addition of this tunic to the Procurement List would not constitute serious adverse impact on this contractor. The Committee also determined that the addition would not constitute severe adverse impact on the other current contractor.

After consideration of the material presented to it concerning capability of qualified nonprofit agencies to produce the commodities at a fair market price and impact of the addition on the current or most recent contractors, the Committee has determined that the commodities listed below are suitable for procurement by the Federal Government under 41 U.S.C. 46-48c and 41 CFR 51-2.6.

I certify that the following actions will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

a. The action will not result in any additional reporting, recordkeeping or other compliance requirements.

b. The action will not have a serious economic impact on any contractors for the commodities listed.

c. The action will result in authorizing small entities to produce the commodities procured by the Government.

Accordingly, the following commodities are hereby added to the Procurement List:

*Tunic, Woman's*

8410-01-277-3610 thru 8410-01-277-3650  
(65% of the Government's Requirement).

This action does not affect contracts awarded prior to the effective date of this addition or options exercised under those contracts.

Beverly L. Milkman,  
Executive Director.

[FR Doc. 91-20865 Filed 8-29-91; 8:45 am]

BILLING CODE 6820-33-M

#### Procurement List; Additions

**AGENCY:** Committee for Purchase from the Blind and Other Severely Handicapped.

**ACTION:** Additions to Procurement List.

**SUMMARY:** This action adds to the Procurement List commodities, military resale commodities and services to be furnished by nonprofit agencies employing the blind or other severely handicapped.

**EFFECTIVE DATE:** September 30, 1991.

**ADDRESSES:** Committee for Purchase from the Blind and Other Severely Handicapped, Crystal Square 5, suite 1107, 1755 Jefferson Davis Highway, Arlington, Virginia 22202-3509.

**FOR FURTHER INFORMATION CONTACT:** Beverly Milkman (703) 557-1145.

**SUPPLEMENTARY INFORMATION:** On March 29, May 24, 31, June 7, 21, July 8, 12 and 19, 1991, the Committee for Purchase from the Blind and Other Severely Handicapped published notices (56 FR 13129, 23876, 24790, 26395, 28539, 30905, 31907 and 33265) of proposed additions to the Procurement List.

After consideration of the material presented to it concerning capability of qualified nonprofit agencies to produce the commodities, military resale commodities and provide the services at a fair market price and impact of the addition on the current or most recent contractors, the Committee has determined that the commodities, military resale commodities and

services listed below are suitable for procurement by the Federal Government under 41 U.S.C. 46-48c and 41 CFR 51-2.6.

I certify that the following actions will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

a. The actions will not result in any additional reporting, recordkeeping or other compliance requirements.

b. The actions will not have a serious economic impact on any contractors for the commodities, military resale commodities and services listed.

c. The actions will result in authorizing small entities to produce the commodities, military resale commodities and provide the services procured by the Government.

Accordingly, the following commodities, military resale commodities and services are hereby added to the Procurement List:

#### Commodities

Moisture Collector

4330-01-033-6119

Bracket, Angle

5340-00-435-6451

Clamp, Fastener

5820-00-930-3435

Button, Insignia

8455-00-530-3700

Holder, Card Label

9905-00-045-3624

9905-00-045-3626

9905-00-782-3768

#### Military Resale Item No. and Name

516 Gloves, Latex, Small

517 Gloves, Latex, Medium

518 Gloves, Latex, Large

#### Services

Catering Service

Salt Lake City Military Entrance, Processing Station

Fort Douglas, Utah

Commissary Shelf Stocking and Custodial

Charles Melvin Price Support Center

Commissary

Granite City, Illinois

Food Service Attendant

Norfolk Naval Shipyard

Portsmouth, Virginia

Grounds Maintenance

Oakland Army Base and Naval Supply Center

Oakland, California

Grounds Maintenance

Naval Air Station Airfields

Corpus Christi, Texas

Janitorial/Grounds Maintenance

Shasta Dam Service Areas



Redding, California  
Mailroom Operation  
National Archives, 7th & Pennsylvania  
Avenue, NW.  
Washington, DC.

This action does not affect contracts awarded prior to the effective date of this addition or options exercised under those contracts.

**Beverly L. Milkman,**  
*Executive Director.*

[FR Doc. 91-20866 Filed 8-29-91; 8:45 am]

BILLING CODE 6820-33-M

## Procurement List; Proposed Additions

**AGENCY:** Committee for Purchase from the Blind and Other Severely Handicapped.

**ACTION:** Proposed additions to Procurement List.

**SUMMARY:** The Committee has received proposals to add to the Procurement List commodities and services to be furnished by nonprofit agencies employing the blind or other severely handicapped.

**COMMENTS MUST BE RECEIVED ON OR BEFORE:** September 30, 1991.

**ADDRESSES:** Committee for Purchase from the Blind and Other Severely Handicapped, Crystal Square 5, suite 1107, 1755 Jefferson Davis Highway, Arlington, Virginia 22202-3509.

**FOR FURTHER INFORMATION CONTACT:** Beverly Milkman (703) 557-1145.

**SUPPLEMENTARY INFORMATION:** This notice is published pursuant to 41 U.S.C. 47(a)(2) and 41 CFR 51-2.6. Its purpose is to provide interested persons an opportunity to submit comments on the possible impact of the proposed actions.

If the Committee approves the proposed additions, all entities of the Federal Government (except as otherwise indicated) will be required to procure the commodities and services listed below from nonprofit agencies employing the blind or other severely handicapped.

It is proposed to add the following commodities and services to the Procurement List:

### Commodities

Kit, Ground Anchor  
8340-00-951-6423  
Pancake Mix  
8920-00-782-6353  
8920-01-250-9522

### Services

Food Service Attendant  
Naval Security Group Activity  
Homestead Air Force Base, Florida

Janitorial/Custodial  
Federal Building, 1340 W. 6th Street  
Los Angeles, California  
Janitorial/Custodial  
U.S. Army Reserve Center, Building 200  
Arlington Heights, Illinois  
Janitorial/Custodial  
U.S. Army Reserve Center,  
Clearfield, Pennsylvania  
Janitorial/Custodial  
U.S. Army Reserve Center  
Washington, Pennsylvania  
Mailroom Operation  
U.S. Army Corps of Engineers, Pulaski  
Building, 20 Massachusetts Avenue  
Washington, DC  
Recyclable Paper Collection  
Federal Center, 74 North Washington  
Battle Creek, Michigan  
**Beverly L. Milkman,**  
*Executive Director.*  
[FR Doc. 91-20867 Filed 8-29-91; 8:45 am]  
BILLING CODE 6820-33-M

## COMMODITY FUTURES TRADING COMMISSION

### Agricultural Advisory Committee Meeting

This is to give notice, pursuant to section 10(a) of the Federal Advisory Committee Act, 5 U.S.C. app. 2, section 10(a) and 41 CFR 101-6.1015(b), that the Commodity Futures Trading Commission's Agricultural Advisory Committee will conduct a public meeting in the Hearing Room on the basement level of the Commission's Washington, DC headquarters, 2033 K Street, NW., Washington, DC on September 17, 1991, beginning at 9 a.m. and lasting until 5:30 p.m. The agenda will consist of:

#### Agenda

- I. Introductory remarks, Commissioner Joseph B. Dial; Welcoming Speech, Chairman Wendy L. Gramm; Introduction by Advisory Committee members and representatives;
- II. Discussion of Delivery Issues: Including summarization of the Kalo A. Hineman Symposium;
- III. Presentation of Futures/Options: Educational Programs for Farmers and Ranchers;
- IV. Status report on CFTC Reauthorization;
- V. Discussion of U.S. Origin Wheat, Corn, Soybeans;
- VI. Discussion of Speculative Position Limits, initial remarks by Commissioner Joseph B. Dial;
- VII. Discussion of Commodity Swaps;
- VIII. Discussion of Agricultural Options;
- IX. Other Committee Business; and
- X. Closing Remarks by Commissioner Joseph B. Dial.

The purpose of this meeting is to solicit the views of the Committee on the above-listed agenda matters. The Advisory Committee was created by the Commodity Futures Trading Commission for the purpose of receiving advice and recommendations on agricultural issues. The purposes and objectives of the Advisory Committee are more fully set forth in the May 6, 1991 fourth renewal charter of the Advisory Committee.

The meeting is open to the public. The Chairman of the Advisory Committee, Commissioner Joseph B. Dial, is empowered to conduct the meeting in a fashion that will, in his judgment, facilitate the orderly conduct of business. Any member of the public who wishes to file a written statement with the Advisory Committee should mail a copy of the statement to the attention of: The Commodity Futures Trading Commission Agricultural Advisory Committee c/o Kimberly N. Griles, Commodity Futures Trading Commission, 2033 K Street, NW., Washington, DC 20581, before the meeting. Members of the public who wish to make oral statements should also inform Ms. Griles in writing at the foregoing address at least three business days before the meeting. Reasonable provision will be made, if time permits, for an oral presentation of no more than five minutes each in duration.

Issued by the Commission in Washington, DC on August 27, 1991.

Lynn K. Gilbert,

*Deputy Secretary of the Commission.*

[FR Doc. 91-20931 Filed 8-29-91; 8:45 am]

BILLING CODE 6351-01-M

## COMMISSION ON INTERSTATE CHILD SUPPORT

### Commission Meeting

The U.S. Commission on Interstate Child Support will meet on September 12, 13, and 14, 1991. All meetings will be held in room 209 of the Hall of States, 444 North Capitol Street, Washington, DC 20001. The meetings will be from 9 am to 5 pm each day.

The Commission will review recommendations made by its committees. Recommendations cover a wide number of reforms to the interstate establishment and enforcement of child support obligations.

For more information contact Joyce Moore at 202-254-8093.

Margaret Campbell Haynes,  
Chair.

[FR Doc. 91-20911 Filed 8-29-91; 8:45 am]

BILLING CODE 6820-64-M

## DEPARTMENT OF DEFENSE

### Office of the Secretary

#### Availability of Change 2 to DoD 5025.1-I, "DoD Directives System Annual Index"

**AGENCY:** Office of the Secretary, DoD.  
**ACTION:** Notice.

**SUMMARY:** This document is to inform the public and Government Agencies of the availability of Change 2 to DoD 5025.1-I, dated January 1991. It is available from National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, VA 22161, telephone (703) 487-4650. The NTIS accession number for Change 2 is PB 91 959531.

**FOR FURTHER INFORMATION CONTACT:** Ms. P. Toppings, Directives Division, Correspondence and Directives Directorate, Washington Headquarters Services, Washington, DC 20301-1155, telephone (202) 697-4111.

Dated: August 27, 1991.

L.M. Bynum,  
Alternate OSD Federal Register Liaison  
Officer, Department of Defense.

[FR Doc. 91-20848 Filed 8-29-91; 8:45 am]

BILLING CODE 3810-01-M

### Department of the Air Force

#### Notice of Intent To Prepare Environmental Impact Statement for Management of Aircraft Operations at Westover Air Force Base, MA

The United States Air Force will prepare Supplemental Environmental Impact Statement (SEIS) to analyze military and civilian aircraft operations at Westover Air Force Base (AFB) located in Chicopee, Massachusetts. This SEIS will address changes in operations which have occurred since publication of the EIS for the Air Force Reserve Mission Change in April of 1987; stage base operations which were not addressed in the EIS; and possible future changes in operations at the base, including a revised request from the Westover Metropolitan Development Corporation (WMDC) for extension of airfield operating hours to 24-hr/day.

The Air Force is planning to conduct a scoping meeting on Wednesday

September 18, 1991, at 7 p.m. in the auditorium of Bellamy School located at 314 Pendleton Avenue in Chicopee, MA. The purposes of this meeting are to present information concerning the proposed actions and the alternatives under consideration and to solicit public input with respect to issues and alternatives that should be addressed in the SEIS.

The scoping meeting will include opportunities for questions and statements from representatives of government agencies and the public. To ensure the maximum opportunity for public participation, initial presentations and questions by individuals will be limited to a maximum of five minutes until all those desiring an opportunity to speak have done so. If time permits, additional presentations and questions will be accepted. Submission of written comments and questions is encouraged but is not required. Written comments and questions of any length submitted at the meeting or during the scoping period will be considered in their entirety.

To ensure that the Air Force has sufficient time to consider public input on issues and alternatives in preparation of Draft SEIS, comments should be submitted to the address below by October 19, 1991. The Air Force will accept comments at the address below at any time during the environmental impact analysis process.

For further information concerning the preparation of the SEIS for management of aircraft operations at Westover AFB, contact:

Ms. Toni Beasley,  
Headquarters, Air Force Reserve/CEPV,  
Robins AFB, GA 31098, (912) 926-5598.

Patsy J. Conner,  
Air Force Federal Register, Liaison Officer.  
[FR Doc. 91-20853 Filed 8-29-91; 8:45 am]

BILLING CODE 3910-01-M

### Department of the Army

#### Privacy Act of 1974; Amend Record Systems

**AGENCY:** Department of the Army, DOD.  
**ACTION:** Amend Privacy Act Record Systems.

**SUMMARY:** The Department of the Army proposes to amend four record systems in its inventory of record system notices subject to the Privacy Act of 1974, as amended, (5 U.S.C. 552a).

**DATES:** The proposed action will be effective without further notice on September 30, 1991, unless comments

are received that would result in a contrary determination.

**ADDRESSES:** Contact Ms. Alma Lopez, Office of Systems Management Branch (ASOP-MP), Ft. Huachuca, AZ 85613-5000.

**SUPPLEMENTARY INFORMATION:** The Department of the Army record system notices subject to the Privacy Act of 1974, as amended, have been published in the Federal Register as follows:

50 FR 22090, May 29, 1985 (DOD Compilation, changes follow)  
51 FR 23576, June 30, 1986  
51 FR 30900, Aug. 29, 1986  
51 FR 40479, Nov. 7, 1986  
51 FR 44361, Dec. 9, 1986  
52 FR 11847, Apr. 13, 1987  
52 FR 18798, May 19, 1987  
52 FR 25905, July 9, 1987  
52 FR 32329, Aug. 27, 1987  
52 FR 43932, Nov. 17, 1987  
53 FR 12971, Apr. 20, 1988  
53 FR 16575, May 10, 1988  
53 FR 21509, June 8, 1988  
53 FR 28247, July 27, 1988  
53 FR 28249, July 27, 1988  
53 FR 28430, July 28, 1988  
53 FR 34576, Sep. 7, 1988  
53 FR 49588, Dec. 8, 1988  
53 FR 51580, Dec. 22, 1988  
54 FR 10034, Mar. 9, 1989  
54 FR 11790, Mar. 22, 1989  
54 FR 14835, Apr. 13, 1989  
54 FR 46965, Nov. 8, 1989  
54 FR 50268, Dec. 5, 1989  
55 FR 13935, Apr. 13, 1990  
55 FR 21897, May 30, 1990 (Army Address Directory)  
55 FR 41743, Oct. 15, 1990  
55 FR 46707, Nov. 6, 1990  
55 FR 46708, Nov. 6, 1990  
55 FR 48671, Nov. 21, 1990 (Army System ID Changes)  
55 FR 48678, Nov. 21, 1991  
56 FR 7018, Feb. 21, 1991  
56 FR 15593, Apr. 17, 1991  
56 FR 21134, May 7, 1991  
56 FR 31393, July 10, 1991 (Army introductory index revised)

The amendments are not within the purview of subsection (r) of the Privacy Act, as amended, (5 U.S.C. 552a) which requires the submission of an altered system report. The specific changes to the record systems are set forth below followed by the record system notices published in their entirety, as amended.

Dated: August 27, 1991.

L. M. Bynum,  
Alternate OSD Federal Register Liaison  
Officer, Department of Defense.

#### A0215-1CFSC

System name:

Nonappropriated Fund Employee Insurance and Retirement Files, (50 FR 22128, May 29, 1985).

**Changes:**

\* \* \* \* \*

**System location:**

Delete entry and replace with "U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

\* \* \* \* \*

**Authority for maintenance of the system:**

Add at the end "Executive Order 9397".

\* \* \* \* \*

**Retention and disposal:**

Delete entry and replace with "Paper files maintained by the Community and Family Support Center are destroyed 1 year after microfilming or earlier after accuracy of microfilm is verified. Microfilmed files are destroyed after 56 years. Other offices destroy the records after 4 years."

**System manager(s) and address:**

Delete entry and replace with "Commander, U.S. Army Community and Family Support Center, ATTN: CFSC-HR-PB, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

**Notification procedure:**

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Community and Family Support Center, ATTN: CFSC-HR-PB, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

Individual should provide the full name, Social Security Number, NAF activity where employed, and signature."

**Record access procedures:**

Delete entry and replace with "Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Commander, U.S. Army Community and Family Support Center, ATTN: CFSC-HR-PB, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

Individual should provide the full name, Social Security Number, NAF activity where employed, and signature."

\* \* \* \* \*

**A0215-1CFSC****SYSTEM NAME:**

Nonappropriated Fund Employee Insurance and Retirement Files.

**SYSTEM LOCATION:**

U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Army nonappropriated fund (NAF) employees who participate in the NAF Group Insurance and Retirement Plan.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Monthly and cumulative insurance and retirement deductions for each employee; name and Social Security Number.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

Pub. L. 95-595; 26 U.S.C. 401a; and Executive Order 9397.

**PURPOSE(S):**

To substantiate initial enrollment and subsequent change in the NAF Group Insurance and Retirement Plan; to verify monthly deductions and to compute annuities, refunds, and death benefits.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

The "Blanket Routine Uses" set forth at the beginning of the Army's compilation of record system notices apply to this system.

**DISCLOSURE TO CONSUMER REPORTING AGENCIES:**

Disclosure pursuant to 5 U.S.C. 552a(b)(12) may be made from this system to consumer reporting agencies as defined in the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) or the Federal Claims Collection Act of 1966 (31 U.S.C. 3701(a)(3)).

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:****STORAGE:**

Magnetic tapes/discs, microfiche, paper records.

**RETRIEVABILITY:**

By individual's surname within each NAF activity.

**SAFEGUARDS:**

Records are located in controlled areas within building having security guards; information is accessed only by individuals who are properly cleared and trained and have need therefor in the performance of official duties.

**RETENTION AND DISPOSAL:**

Paper files maintained by the Community and Family Support Center are destroyed 1 year after microfilming or earlier after accuracy of microfilm is

verified. Microfilmed files are destroyed after 56 years. Other offices destroy the records after 4 years.

**SYSTEM MANAGER(S) AND ADDRESS:**

Commander, U.S. Army Community and Family Support Center, ATTN: CFSC-HR-PB, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Community and Family Support Center, ATTN: CFSC-HR-PB, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

Individual should provide the full name, Social Security Number, NAF activity where employed, and signature.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Commander, U.S. Army Community and Family Support Center, ATTN: CFSC-HR-PB, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

Individual should provide the full name, Social Security Number, NAF activity where employed, and signature.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting contents, and appealing initial determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

From the individual and NAF personnel officers.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

**A0215-2aCFSC****System name:**

Army Club Membership Files, (50 FR 22117, May 29, 1985).

**Changes:**

\* \* \* \* \*

**System location:**

Delete entry and replace with "Decentralized at Army installations; files are maintained by the officers, noncommissioned, or other military club managers at Army installations having club activities. Official mailing addresses are published as an appendix to the Army's compilation of record systems notices."

\* \* \* \* \*

**Authority for maintenance of the system:**

Add at the end "Executive Order 9397".

\* \* \*

**System manager(s) and address:**

Delete entry and replace with "Commander, U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

**Notification procedure:**

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Community and Family Support Center, ATTN: CFSC-BP, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

Individual should provide the full name, Social Security number, present address, and signature."

**Record access procedures:**

Delete entry and replace with "Individuals seeking access to records about themselves contained in this record system should address written inquiries to the club of which a member or to the Commander, U.S. Army Community and Family Support Center, Attn: CFSC-BP, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

Individual should provide the full name, Social Security Number, present address, and signature."

\* \* \*

**A0215-2aCFSC**

**SYSTEM NAME:**

Army Club Membership Files.

**SYSTEM LOCATION:**

Decentralized at Army installations; files are maintained by the officers, noncommissioned, or other military club managers at Army installations having club activities. Official mailing addresses are published as an appendix to the Army's compilation of record systems notices.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Military (active Reserve, retired), personnel, their dependents, and/or civilian employees who apply for membership in any Army club.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Individual's name, Social Security Number, address, phone number, name of spouse, credits, merchandise code, date of purchase, card number, club bill, and similar related information.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

10 U.S.C. 3013 and Executive Order 9397.

**PURPOSE(S):**

To administer club accounts, prepare billings, collect monies, and disseminate information concerning club activities.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

The "Blanket Routine Uses" set forth at the beginning of the Army's compilation of record system notices apply to this system.

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING AND DISPOSING OF RECORDS IN THE SYSTEM:**

**STORAGE:**

Cards, magnetic tape/disc, computer printouts.

**RETRIEVABILITY:**

By member's name, Social Security Number, or club membership number.

**SAFEGUARDS:**

Information is maintained in secured areas accessible only to authorized personnel.

**RETENTION AND DISPOSAL:**

Retained as long as member is active; destroyed 3 years after membership is discontinued.

**SYSTEM MANAGER(S) AND ADDRESS:**

Commander, U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500.

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Community and Family Support Center, ATTN: CFSC-BP, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500.

Individual should provide the full name, Social Security Number, present address, and signature.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the club of which a member or to the Commander, U.S. Army Community and Family Support Center, ATTN: CFSC-BP, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500.

Individual should provide the full name, Social Security Number, present address, and signature.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting contents, and appealing initial determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

From the individual.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

**A0352-3CFSC**

**System name:**

Dependent Children School Program Files (50 FR 22235, May 29, 1985).

**Changes**

\* \* \*

**System location:**

After "NY" add "Official mailing addresses are published as an appendix to the Army's compilation of record systems notices."

\* \* \*

**System manager(s) and address:**

Delete entry and replace with "Commander, U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

**Notification procedure:**

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the principal of the school attended. If the records have been retired to the Washington National Records Center, write to the Commander, U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

Individual should provide the full name, name at the time school attendance, date of birth, identity and location of school attended, dates of attendance, and signature."

**Record access procedures:**

Delete entry and replace with "Individuals seeking access to records about themselves contained in this record system should address written inquiries to the principal of the school attended. If the records have been retired to the Washington National Records Center, write to the Commander, U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

Individual should provide the full name, name at the time school

attendance, date of birth, identity and location of school attended, dates of attendance, and signature."

#### A0352-3CFSC

##### SYSTEM NAME:

Dependent Children School Program Files.

##### SYSTEM LOCATION:

Army-operated dependents schools located at Fort Benning, GA; Fort Bragg, NC; Fort Campbell, KY; Fort McClellan, AL; Fort Rucker, AL; Fort Stewart, GA; and U.S. Military Academy, West Point, NY. Official mailing addresses are published as an appendix to the Army's compilation of record systems notices. Records of former students are located at the Washington National Records Center, Washington, DC 20409.

##### CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Students in the Army-operated dependents schools located at Fort Benning, GA; Fort Bragg, NC; Fort Campbell, KY; Fort McClellan, AL; Fort Rucker, AL; Fort Stewart, GA; and U.S. Military Academy, West Point, NY.

##### CATEGORIES OF RECORDS IN THE SYSTEM:

Enrollment/admission/registration/transfer applications; course preferences/curriculum; health records; attendance registers; academic achievements and report cards reflecting grades/credits earned; aptitude, intelligence quotient, and other test results; notes regarding student's special interests, hobbies, activities, sports; counseling documents; high school transcripts and certificates; and related supporting documents.

##### AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Section 6, Public Law 81-874.

##### PURPOSE(S):

To record education provided for eligible dependent children of military and civilian personnel residing on Army bases at Fort Benning, GA; Fort Bragg, NC; Fort Campbell, KY; Fort McClellan, AL; Fort Rucker, AL; Fort Stewart, GA; and U.S. Military Academy, West Point, NY.

##### ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

Information may be disclosed to Department of Education in connection with Federal funding for public education; to federal and state educational agencies in connection with student's application for financial aid; to student's parents/legal guardians when

Army officials determine bona fide need therefor and disclosure is not otherwise precluded by the Family Educational Rights and Privacy Act of 1974 (The Buckley Amendment) 20 U.S.C. 1232g.

##### POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

###### STORAGE:

Paper records in file folders.

###### RETRIEVABILITY:

By student surname.

###### SAFEGUARDS:

Records are accessible only to authorized personnel having need for the information in the performance of their official duties.

###### RETENTION AND DISPOSAL:

Academic records for elementary school students are destroyed at the school attended after 5 years; those for secondary school students are destroyed after 65 years by the Washington National Records Center where such records are retired 5 years following student's graduation/withdrawal.

Individual student health records and tests/achievements documents are retained at the local school 1 year for elementary students; 2 years for secondary students, after which they are destroyed.

Teacher class registers of attendance and scholastic marks and averages are retained at the local school for 5 years; then destroyed.

###### SYSTEM MANAGER(S) AND ADDRESS:

Commander, U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500.

###### NOTIFICATION PROCEDURE:

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the principal of the school attended. If the records have been retired to the Washington National Records Center, write to the Commander, U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500.

Individual should provide current full name, name use at the time of school attendance, date of birth, identity and location of school attended, dates of attendance, and signature.

###### RECORD ACCESS PROCEDURES:

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the principal of the school attended. If the records have been

retired to the Washington National Records Center, write to the Commander, U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500.

Individual should provide current full name, name used at the time of school attendance, date of birth, identity and location of school attended, dates of attendance, and signature.

###### CONTESTING RECORD PROCEDURES.

The Army's rules for accessing records, contesting contents, and appealing initial determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

###### RECORD SOURCE CATEGORIES:

From individual, school teachers, principal, counselors, medical personnel, parents/guardians.

###### EXEMPTIONS CLAIMED FOR THE SYSTEM:

None.

#### A0608-25CFSC

##### System name:

Army Retirement Services Program Files, (54 FR 11790, Mar 22, 1989).

##### Changes:

\* \* \* \* \*

##### System name:

Delete entry and replace with "Chief of Staff, Army Retiree Council Files

##### System location:

Delete "Office of The Adjutant General, Headquarters, Department of the Army, 2461 Eisenhower Avenue, Alexandria, VA 22331" and replace with "U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500"; delete "and/or service activities"; add at the end "Official mailing addresses are published as an appendix to the Army's compilation of record systems notices."

##### Categories of individuals covered by the system:

Delete entry and replace with "Retired Army personnel who have been nominated to serve and those who have been nominated and appointed to serve on the Chief of Staff, Army Retiree Council."

##### Categories of records in the system:

Delete "Army Chief of Staff Retiree Councils" and replace with "Chief of Staff, Army Retiree Council,"; add

"Retirement Services Program" after "608-25".

\* \* \* \* \*

*Purpose(s):*

Delete entry and replace with "To provide the Active Army with insight into problems and needs of the retirees."

*Routine uses of records maintained in the system, including categories of users and the purposes of such uses:*

Delete entry and replace with "The Blanket Routine Uses" set forth at the beginning of the Army's compilation of record system notices apply to this record system."

*Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:*

*Storage:*

Delete "magnetic tapes and printouts; microfiche".

\* \* \* \* \*

*Retention and disposal:*

Delete "magnetic tapes" and replace with "Paper files"; delete "Army Chief of Staff Retiree Councils" and replace with "Chief of Staff, Army Retiree Council".

*System manager(s) and address:*

Delete entry and replace with "Commander, U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500."

*Notification procedure:*

Delete entire entry and replace with "Individuals seeking to determine if information about themselves is contained in this records system should address written inquiries to the Commander, U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500.

Individuals should provide the full name, current address and telephone number, and any details that would help locate the record."

*Record access procedures:*

Delete entire entry and replace with "Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Commander, U.S. Army Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500.

Individuals should provide the full name, current address and telephone number, and any details that would help locate the record."

\* \* \* \* \*

**A0608-25CFSC**

**SYSTEM NAME:**

Army Retirement Services Program Files.

**SYSTEM LOCATION:**

Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500. Segments of this system exist at Headquarters, U.S. Army Forces Command, Fort McPherson, Ga; U.S. Army Training and Doctrine Command, Fort Monroe, VA; Headquarters, Military District of Washington; and installations operating retiree councils. Official mailing addresses are published as an appendix to the Army's compilation of record systems notices.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Retired Army personnel who have been nominated to serve and those who have been nominated and appointed to serve on the Chief of Staff, Army Retiree Council.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Retiree's name, grade, retirement class/date/code, Social Security Number, branch of service, date of birth, component, years of service, percentage of disability, sex, and home address; biographical sketch of retirees seeking appointment to the Chief of Staff, Army Retiree Council, comprising much of the above information and supplemented by description of involvement in military and civic affairs since retirement, statement of willingness to serve pursuant to Army Regulation 608-25, Retirement Services Program, correspondence between Army and applicant regarding acceptance/non-selection, active duty training orders; and similar relevant documents.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

Title 10 U.S.C. 1588 and 3966.

**PURPOSE(S):**

To provide the Active Army with insight into problems and needs of the retirees.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

The "Blanket Routine Uses" set forth at the beginning of the Army's compilation of record system notices apply to this record system.

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:**

**STORAGE:**

Paper records in file folders.

**RETRIEVABILITY:**

By individual's surname.

**SAFEGUARDS:**

Information is accessed only by individuals having official need therefore, within buildings protected by security guards during non-duty hours.

**RETENTION AND DISPOSAL:**

Paper files containing names and addresses of retirees are updated periodically to reflect current information; information is retained until no longer needed. Correspondence and documents related to the Chief of Staff, Army Retiree Council are retained 5 years, following which they are destroyed by shredding.

**SYSTEM MANAGER(S) AND ADDRESS:**

Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500.

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500.

Individuals should provide the full name, current address and telephone number, and any details that would help locate the record.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Commander, Community and Family Support Center, 2461 Eisenhower Avenue, Alexandria, VA 22331-0500.

Individuals should provide the full name, current address and telephone number, and any details that would help locate the record.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting contents, and appealing initial agency determinations by the individual concerned are published in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

From the individual; Army records and reports.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

[FR Doc. 91-20849 Filed 8-29-91; 8:45 am]

BILLING CODE 3810-01-M

**Privacy Act of 1974; Amend Record Systems****AGENCY:** Department of the Army, DOD.**ACTION:** Amend Privacy Act Record Systems.**SUMMARY:** The Department of the Army proposes to amend three record systems in its inventory of record system notices subject to the Privacy Act of 1974, as amended, (5 U.S.C. 552a).**DATES:** The proposed action will be effective without further notice on September 30, 1991, unless comments are received that would result in a contrary determination.**ADDRESSES:** Contact Ms. Alma Lopez, Office of Systems Management Branch (ASOP-MP), Ft. Huachuca, AZ 85613-5000.**SUPPLEMENTARY INFORMATION:** The Department of the Army record system notices subject to the Privacy Act of 1974, as amended, have been published in the *Federal Register* as follows:

50 FR 22090, May 29, 1985 (DoD Compilation, changes follow)

51 FR 23576, Jun. 30, 1986

51 FR 30900, Aug. 29, 1986

51 FR 40479, Nov. 7, 1986

51 FR 44361, Dec. 9, 1986

52 FR 11847, Apr. 13, 1987

52 FR 18798, May 19, 1987

52 FR 25905, Jul. 9, 1987

52 FR 32329, Aug. 27, 1987

52 FR 43932, Nov. 17, 1987

53 FR 12971, Apr. 20, 1988

53 FR 16575, May 10, 1988

53 FR 21509, Jun. 8, 1988

53 FR 28247, Jul. 27, 1988

53 FR 28249, Jul. 27, 1988

53 FR 28430, Jul. 28, 1988

53 FR 34576, Sep. 7, 1988

53 FR 49586, Dec. 8, 1988

53 FR 51580, Dec. 22, 1988

54 FR 10034, Mar. 9, 1989

54 FR 11790, Mar. 22, 1989

54 FR 14835, Apr. 13, 1989

54 FR 46965, Nov. 8, 1989

54 FR 50268, Dec. 5, 1989

55 FR 13935, Apr. 13, 1990

55 FR 21897, May 30, 1990 (Army Address Directory)

55 FR 41743, Oct. 15, 1990

55 FR 46707, Nov. 6, 1990

55 FR 46708, Nov. 6, 1990

55 FR 48671, Nov. 21, 1990 (Army System ID Changes)

55 FR 48678, Nov. 21, 1990

56 FR 7018, Feb. 21, 1991

56 FR 15593, Apr. 17, 1991

56 FR 21134, May 7, 1991

56 FR 27949, Jun. 18, 1991

The amendments are not within the purview of subsection 5 U.S.C. 552a(r) of the Privacy Act of 1974, as amended, which requires the submission of an altered system report. The specific changes to the record systems are set forth below followed by the record

system notices published in their entirety, as amended.

Dated: August 27, 1991.

L.M. Bynum,

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

**A0020-1aSAIG****SYSTEM NAME:**

Inspector General Investigation Files (50 FR 22112, May 29, 1985).

**CHANGES:**

\* \* \* \* \*

**SYSTEM LOCATION:**

Change "The Inspector General's Office" to "U.S. Army Inspector General Agency," and add "-1700" to the ZIP code in the first paragraph.

Change "Inspector General Offices" to "Offices of Inspectors General" in the second paragraph.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Delete "has been" and replace with "is". Insert an "a" before "witness".

\* \* \* \* \*

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

Replace "3039 and 3040" with "3013 and 3020".

**PURPOSE(S):**

Change "determine" to "record"; change "Reserves" to "Reserve"; change "present evidence" to "report results of the investigation".

\* \* \* \* \*

**STORAGE:**

Delete entry and replace with "Paper records in binders/file folders and computer data base."

**SAFEGUARDS:**

Delete entry and replace with "Files are stored in locked containers accessible only to authorized persons with an official need to know. Computer data base access is limited by terminal control and a password system to authorized persons with an official need to know."

**RETENTION AND DISPOSAL:**

Delete entry and replace with "Information pertaining to cases that attract public or congressional attention; result from investigations or alleged violations of laws, executive orders, and directives that define the permissible scope of U.S. intelligence activities; develop into investigations of espionage, sabotage, or subversion; involve systemic problems in Army administration, or result in significant

change in Army organization or policies; or are deemed to be historically significant by the system manager, are permanent. Other files accumulated in Headquarters, Department of the Army (HQDA) offices and in field commands authorized an Inspector General who also reports to HQDA, are destroyed after 5 years; all other Inspector General records are destroyed after 3 years".

**SYSTEM MANAGER(S) AND ADDRESS:**

Change "The Inspector General" to "Office of the Inspector General" and add "-1700" to the ZIP code.

**NOTIFICATION PROCEDURE:**

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Individual should provide the full name, address, and specific details concerning the investigation, including subject, date, and location of the Inspector General's Office which performed the investigation. Individual should also indicate his or her role in the investigation."

**RECORD ACCESS PROCEDURES:**

Delete entry and replace with "Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Individual should provide the full name, address, and specific details concerning the investigation, including subject, date, and location of the Inspector General's Office which performed the investigation. Individual should also indicate his or her role in the investigation."

\* \* \* \* \*

**RECORD SOURCE CATEGORIES:**

Delete entry and replace with "From the individual, Army records and reports, and other sources providing or containing pertinent information."

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

Delete entry and replace with "Portions of this system may be exempt pursuant to 5 U.S.C. 552a(k)(2) or (5) as applicable.

An exemption rule for this system has been promulgated in accordance with requirements of 5 U.S.C. 553(b)(1), (2), and (3), (c) and (e) and published in 32



CFR part 505. For additional information contact the system manager."

\* \* \* \* \*

#### A0020-1aSAIG

##### SYSTEM NAME:

Inspector General Investigation Files.

##### SYSTEM LOCATIONS:

Primary location is at the Office of the U.S. Army Inspector General Agency, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Secondary location is at the Offices of Inspector General at major Army commands, field operating agencies, installations and activities, Army-wide. Official mailing addresses are published as an appendix to the Army's compilation of system of records notices.

##### CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Any person who is the subject of, a witness for, or referenced in, an Inspector General investigation.

##### CATEGORIES OF RECORDS IN THE SYSTEM:

Reports of investigation containing authority for the investigation, matters investigated, narrative, documentary evidence, and transcripts of verbatim testimony or summaries thereof.

##### AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

10 U.S.C. 3013 and 3020.

##### PURPOSE(S):

To record the facts and circumstances surrounding allegations or problems concerning any Army activity, or function, including civil functions, the U.S. Army Reserve, and federal activities of the Army National Guard, and to report results of the investigation to the Secretary of the Army, the Chief of Staff, Army, or the commander who directed it.

##### ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The "Blanket Routine Uses" set forth at the beginning of the Army's compilation of record system notices apply to this record system.

##### POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

##### STORAGE:

Paper records in binders/file folders and on computer data base.

##### RETRIEVABILITY:

By case name, derived from either nature of the allegation, geographic

location of investigation, or name of subject or complainant.

##### SAFEGUARDS:

Files are stored in locked containers accessible only to authorized persons with an official need to know. Computer data base access is limited by terminal control and a password system to authorized persons with an official need to know.

##### RETENTION AND DISPOSAL:

Information pertaining to cases that attract public or Congressional attention; result from investigations or alleged violations of laws, executive orders, and directives that define the permissible scope of U.S. intelligence activities; develop into investigations of espionage, sabotage, or subversion; involve systemic problems in Army administration, or result in significant change in Army organization or policies; or are deemed to be historically significant by the system manager, are permanent. Other files accumulated in HQDA offices and in field commands authorized an Inspector General who also reports to HQDA, are destroyed after 5 years; all other Inspector General records are destroyed after 3 years.

##### SYSTEMS MANAGER AND ADDRESS:

Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

##### NOTIFICATION PROCEDURE:

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Individual should provide full name, address, and specific details concerning the investigation, including subject, date, and location of the Inspector General's Office which performed the investigation. Individual should also indicate his or her role in the investigation.

##### RECORD ACCESS PROCEDURES:

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Individual should provide full name, address, and specific details concerning the investigation, including subject, date, and location of the Inspector General's Office which performed the investigation. Individual should also

indicate his or her role in the investigation.

##### CONTESTING RECORD PROCEDURES:

The Army's rules for accessing records, contesting contents, and appealing initial agency determinations by the individual concerned are published in Department of the Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

##### RECORD SOURCE CATEGORIES:

From the individual, Army records and reports, and other sources providing or containing pertinent information.

##### EXEMPTIONS CLAIMED FOR THE SYSTEM

Portions of this system of records may be exempt pursuant to 5 U.S.C. 552a(k) (2) or (5) as applicable.

An exemption rule for this system has been promulgated in accordance with requirements of 5 U.S.C. 553(b) (1), (2), and (3), (c) and (e) and published in 32 CFR part 505. For additional information contact the system manager.

#### A0020-1bSAIG

##### SYSTEM NAME:

Inspector General Action Request/ Assistance Files (50 FR 22113, May 29, 1985).

##### CHANGES:

\* \* \* \* \*

##### SYSTEM LOCATION:

Change "The Inspector General's Office" to "U.S. Army Inspector General Agency," and after "20310" insert "-1700" in the first paragraph.

Change "Inspector General Offices" to "Offices of Inspectors General" in the second paragraph.

##### CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Delete entry and replace with "Any person who submits a request for assistance to an Inspector General."

\* \* \* \* \*

##### AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Replace "3039, 3040, and 3065a" with "3013 and 3020".

##### PURPOSE(S):

Delete the word "allegations". Remove commas after the words "complaints" and "wrongdoing".

\* \* \* \* \*

##### STORAGE:

Delete entry and replace with "Paper records in binders/file folders and computer data base."

**RETRIEVABILITY:**

After the word "surname" insert "or by other descriptive name."

**SAFEGUARDS:**

Delete entry and replace with "Files are stored in locked containers accessible only to authorized persons with an official need to know. Computer data base access is limited by terminal control and a password system to authorized persons with an official need to know."

**RETENTION AND DISPOSAL:**

Delete entry and replace with "Requests for assistance and/or complaints acted on by The Inspector General, Headquarters, Department of the Army, are retained for 2 years following completion and closing of case."

**SYSTEM MANAGER(S) AND ADDRESS:**

Change "The Inspector General" to "Office of the Inspector General" and after "20310" insert "-1700".

**NOTIFICATION PROCEDURE:**

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Individual should provide the full name, address, nature of request for assistance or complaint, and identification of the Inspector General's Office to which the request was submitted."

**RECORD ACCESS PROCEDURES:**

Delete entry and replace with "Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Individual should provide the full name, address, nature of request for assistance or complaint, and identification of the Inspector General's Office to which the request was submitted."

\* \* \* \* \*

**RECORD SOURCE CATEGORIES:**

Delete entry and replace with "From the individual, Army records and reports, and other sources providing or containing pertinent information."

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

Delete entry and replace with "Portions of this system may be exempt

pursuant to 5 U.S.C. 552a(k) (2) or (5) as applicable.

An exemption rule for this system has been promulgated in accordance with requirements of 5 U.S.C. 553(b) (1), (2), and (3), (c) and (e) and published in 32 CFR part 505. For additional information contact the system manager."

\* \* \* \* \*

**A0020-1bSAIG****SYSTEM NAME:**

Inspector General Action Request/ Assistance Files.

**SYSTEM LOCATION:**

Primary location is at the U.S. Army Inspector General Agency, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Secondary location is at the Offices of Inspectors General at major Army commands, field operating agencies, installations and activities, Army wide. Official mailing addresses are published as an appendix to the Army's compilation of system of record notices.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Any person who submits a request for assistance to an Inspector General.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Individual's request/complaint, all related reports of inquiry, studies, memoranda, and reference material; name, component, and functional relationship or complainant to military; correspondence reflecting disposition of request.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

10 U.S.C. 3013 and 3020.

**PURPOSE(S):**

To record complaints of wrongdoing and requests for assistance, to document inquiries, research facts and circumstances, sources of information, impressions and conclusions; to record action taken and notification of interested parties and agencies.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

The "Blanket Routine Uses" set forth at the beginning of the Army's compilation of record system notices apply to this record system.

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:****STORAGE:**

Paper records in binders/file folders and computer data base.

**RETRIEVABILITY:**

By requester's surname or by other descriptive name cross-referenced to case number.

**SAFEGUARDS:**

Files are stored in locked containers accessible only to authorized persons with an official need to know. Computer data base access is limited by terminal control and a password system to authorized persons with an official need to know.

**RETENTION AND DISPOSAL:**

Requests for assistance and/or complaints acted on by The Inspector General, Headquarters, Department of the Army, are retained for 2 years following completion and closing of case.

**SYSTEM MANAGER(S) AND ADDRESS:**

Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Individual should provide the full name, address, nature of request for assistance or complaint, and identification of the Inspector General's Office to which the request was submitted.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Individual should provide the full name, address, nature of request for assistance or complaint, and identification of the Inspector General's Office to which the request was submitted.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting contents, and appealing initial determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

From the individual, Army records and reports, and other sources providing or containing pertinent information.

**EXEMPTIONS CLAIMED FOR THIS SYSTEM:**

Portions of this system of records may be exempt pursuant to 5 U.S.C. 552a(k) (2) or (5) as applicable.

An exemption rule for this system has been promulgated in accordance with requirements of 5 U.S.C. 553(b) (1), (2), and (3), (c) and (e) and published in 32 CFR part 505. For additional information contact the system manager.

**A0614-100/200SAIG**

**SYSTEM NAME:**

Inspector General Personnel System  
(50 FR 22189, May 29, 1985).

**CHANGES:**

\* \* \* \* \*

**SYSTEM LOCATION:**

After "U.S. Army Inspector General Agency" add "Headquarters, Department of the Army," and add "—1700" to the ZIP code.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Delete entry and replace with "Any person assigned and/or detailed to Offices of Inspectors General/Inspector General positions in Department of the Army and certain Department of Defense and joint activities."

\* \* \* \* \*

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

Replace "3013" with "§§ 3013 and 3020" and add at the end "Executive Order 9397".

\* \* \* \* \*

**STORAGE:**

Delete the word "Cards".

**SAFEGUARDS:**

Delete entry and replace with "Files are stored in locked containers accessible only to authorized persons with an official need to know. Computer data base access is limited by terminal control and a password system to authorized persons with an official need to know."

\* \* \* \* \*

**SYSTEM MANAGER(S) AND ADDRESS:**

Change "The Inspector General" to "Office of the Inspector General," and add "—1700" to the ZIP code.

**NOTIFICATION PROCEDURE:**

Delete entry and replace with "Individuals seeking to determine if information about themselves is

contained in this record system should address written inquiries to the Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Individual should provide full name, address, telephone number, Social Security Number, and signature."

**RECORD ACCESS PROCEDURES:**

Delete entry and replace with "Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Individual should provide full name, address, telephone number, Social Security Number, and signature."

\* \* \* \* \*

**RECORD SOURCE CATEGORIES:**

Delete entry and replace with "From the individual, Army records and reports, and other sources providing or containing pertinent information."

\* \* \* \* \*

**A0614-100/200SAIG**

**SYSTEM NAME:**

Inspector General Personnel System

**SYSTEM LOCATION:**

U.S. Army Inspector General Agency, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Any person assigned and/or detailed to the Offices of Inspectors General/Inspector General positions in Department of the Army and certain Department of Defense and joint activities.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Name, rank/grade, Social Security Number, education, duty position, organization of assignment, date assigned, estimated departure date, job specialty, and relevant career data.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

10 U.S.C. 3013 and 3020 and Executive Order 9397.

**PURPOSE(S):**

To manage assignment of members to Inspector General duties.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

The "Blanket Routine Uses" set forth at the beginning of the Army's

compilation of record system notices apply to this record system.

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:****STORAGE:**

Computer disc/tape and printouts.

**RETRIEVABILITY:**

By individual's name or Social Security Number.

**SAFEGUARDS:**

Files are stored in locked containers accessible only to authorized persons with an official need to know. Computer data base access is limited by terminal control and a password system to authorized persons with an official need to know.

**RETENTION AND DISPOSAL:**

Information is retained until individual transfers or is separated; historical data remain in automated media for 4 years.

**SYSTEM MANAGER(S) AND ADDRESS:**

Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Individual should provide the full name, address, telephone number, Social Security Number, and signature.

**RECORD ACCESS PROCEDURE:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Office of the Inspector General, Headquarters, Department of the Army, The Pentagon, Washington, DC 20310-1700.

Individual should provide the full name, address, telephone number, Social Security Number, and signature.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting contents, and appealing initial agency determinations by the individual concerned are published in Department of the Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

From the individual, Army records and reports, and other sources providing or containing pertinent information.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

[FR Doc. 91-20850 Filed 8-29-91; 8:45 am]

BILLING CODE 3810-01-M

**Privacy Act of 1974; Amend Record Systems**

**AGENCY:** Department of the Army, DOD.

**ACTION:** Amend Privacy Act Record Systems.

**SUMMARY:** The Department of the Army proposes to amend nine record systems in its inventory of record system notices subject to the Privacy Act of 1974, as amended, (5 U.S.C. 552a).

**DATES:** The proposed action will be effective without further notice on September 30, 1991, unless comments are received that would result in a contrary determination.

**ADDRESSES:** Contact Ms. Alma Lopez, Office of Systems Management Branch (ASOP-MP), Ft. Huachuca, AZ 85613-5000.

**SUPPLEMENTARY INFORMATION:** The Department of the Army record system notices subject to the Privacy Act of 1974, as amended, have been published in the *Federal Register* as follows:

50 FR 22090, May 29, 1985 (DoD Compilation, changes follow)

51 FR 23576, Jun. 30, 1986  
51 FR 30900, Aug. 29, 1986  
51 FR 40479, Nov. 7, 1986  
51 FR 44361, Dec. 9, 1986  
52 FR 11847, Apr. 13, 1987  
52 FR 18798, May 19, 1987  
52 FR 25905, Jul. 9, 1987  
52 FR 32329, Aug. 27, 1987  
52 FR 43932, Nov. 17, 1987  
53 FR 12971, Apr. 20, 1988  
53 FR 16575, May 10, 1988  
53 FR 21509, Jun. 8, 1988  
53 FR 28247, Jul. 27, 1988  
52 FR 28249, Jul. 27, 1988  
53 FR 28430, Jul. 28, 1988  
53 FR 34576, Sep. 7, 1988  
53 FR 49586, Dec. 8, 1988  
53 FR 51580, Dec. 22, 1988  
54 FR 10034, Mar. 9, 1989  
54 FR 11790, Mar. 22, 1989  
54 FR 14835, Apr. 13, 1989  
54 FR 46965, Nov. 8, 1989  
54 FR 50268, Dec. 5, 1989  
55 FR 13935, Apr. 13, 1990  
55 FR 21897, May 30, 1990 (Army Address Directory)  
55 FR 41743, Oct. 15, 1990  
55 FR 46707, Nov. 6, 1990  
55 FR 46708, Nov. 6, 1990  
55 FR 48671, Nov. 21, 1990 (Army System ID Changes)  
55 FR 48678, Nov. 21, 1990

56 FR 7018, Feb. 21, 1991  
56 FR 15593, Apr. 17, 1991  
56 FR 21134, May 7, 1991  
56 FR 27949, Jun. 18, 1991

The amendments are not within the purview of subsection (r) of the Privacy Act, as amended, (5 U.S.C. 552a) which requires the submission of an altered system report. The specific changes to the particular record systems are set forth followed by the system of records notices published in their entirety, as amended.

Dated: August 27, 1991.

L.M. Bynum,  
*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

**A0095-1TRADOC****SYSTEM NAME:**

Individual Flight Records Folder (50 FR 22238, May 29, 1985).

**CHANGES:**

\* \* \* \* \*

**SYSTEM LOCATION:**

Delete "ATTN: ATZQ-ESO" and replace with "ATTN: ATZQ-ESO-TS"; delete "USAMILPERCEN, HQDA (DAPC-OPE-V)" and replace with "U.S. Total Army Personnel Command, ATTN: HQDA(TAPC-OPE-V), 200 Stovall Street, Alexandria, VA 22332-0400"; delete "USAMILPERCEN, HQDA(DAPE-OPW-AV) and replace with "U.S. Total Army Personnel Command, ATTN: HQDA(TAPC-OPW-AV), 200 Stovall Street, Alexandria, VA 22332-0400; delete "HQDA(DASG-HCO-A)" and replace with "U.S. Total Army Personnel Command, ATTN: PERSCOM(TAPC-OPH-MS), 200 Stovall Street, Alexandria, VA 22332-0400".

\* \* \* \* \*

**NOTIFICATION PROCEDURE:**

Delete entry and replace with "Individual seeking to determine if information about themselves is contained in this record system should address written inquiries to the Flight Operations Section of their current unit; if not on active duty, send inquiry to addresses listed in "System location." Individual should furnish the full name and Social Security Number."

**RECORD ACCESS PROCEDURES:**

Delete entry and replace with "Individuals seeking access to records about themselves contained in this record system may visit or address written inquiries to the Flight Operations Section of their current unit; if not on active duty, send inquiry to addresses listed in "System location."

Individual should furnish the full name and Social Security Number."

**RECORD SOURCE CATEGORIES:**

Delete "Federal Aviation Agency" and replace with "Federal Aviation Administration."

\* \* \* \* \*

**A0095-1TRADOC****SYSTEM NAME:**

Individual Flight Records Folder.

**SYSTEM LOCATION:**

Decentralized to Flight Operations Section of Army/Army Reserve/National Guard units for all personnel on whom flight records are maintained. Copies of individual flight records (DA Form 759) for active Army and Reserve Component personnel who are instructor pilots, standardization instructor pilots, or instrument flight examiners are maintained at the U.S. Total Army Personnel Command, ATTN: HQDA (TAPC-OPE-V), 200 Stovall Street, Alexandria, VA 22332-0400 for active Army officers; U.S. Total Army Personnel Command, ATTN: HQDA (TAPC-OPW-AV), 200 Stovall Street, Alexandria, VA 22332-0400 for active Army warrant officers; and U.S. Total Army Personnel Command, ATTN: PERSCOM (TAPC-OPH-MS) for active Army Medical Service Corps (MSC) officers.

Records of Army reservists not on extended active duty are maintained at the U.S. Army Reserve Personnel Center, St. Louis, MO; those of National Guardsmen are maintained at the National Guard Bureau, Aberdeen Proving Ground, MD.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Army aviators who are members of the Active and Reserve Components and qualified and current in the aircraft to be flown; civilian employees of Government agencies and Government contractors who have appropriate certifications or ratings, flight surgeons or aeromedical physicians' assistants in aviation service, enlisted crew chief/crew members, aerial observers, personnel in non-operational aviation positions, and those restricted or prohibited by statute from taking part in aerial flights.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

DA Forms 759 and 759-1 Individual Flight and Flight Certificate Army (Sections I, II, and III); DA Form 4186 (Medical Recommendations for Flying Duty), results of annual aviation written examinations, waivers, disqualifications, DA Form 4187 requesting re-qualification, re-

qualification orders, aeronautical orders awarding ratings.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

5 U.S.C. 301; 10 U.S.C. 3013; and Executive Order 9397.

**PURPOSE(S):**

To record the flying experience and qualifications data of each aviator, crew member, and flight surgeon in aviation service.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

Information may be disclosed to the Federal Aviation Agency and/or the National Transportation Safety Board. The "Blanket Routine Uses" set forth at the beginning of the Army's compilation of record system notices apply to this record system.

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:**

**STORAGE:**

Paper records in file folders.

**RETRIEVABILITY:**

By individual's surname and/or Social Security Number.

**SAFEGUARDS:**

Records are maintained in controlled areas accessible only to designated persons having official need for the record.

**RETENTION AND DISPOSAL:**

So long as an aviator remains operational, records are maintained by installation operations officer; when individual is no longer in operational flying status, individual Flight Records Folder is collocated with his/her Military Personnel Records Jacket.

**SYSTEM MANAGER(S) AND ADDRESS:**

Commander, U.S. Army Training and Doctrine Command, Fort Monroe, VA 23651-5000.

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Flight Operations Section of their current unit; if not on active duty, inquiry to addresses listed in "System location".

Individual should furnish the full name and Social Security Number.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to records about themselves contained in this record system may visit or address written inquiries to the Flight

Operations Section of their current unit; if not on active duty, send inquiry to addresses listed in "System location".

Individual should furnish the full name and Social Security Number.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting contents, and appealing initial determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

From the individual, Federal Aviation Administration, flight surgeon, evaluation reports, proficiency and readiness tests, and other relevant records and reports.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

**A0095-37TRADOC-ATC**

*System name:*

Air Traffic Controller Records (50 FR 22239, May 29, 1985).

*Changes:*

\* \* \* \* \*

*System location:*

Delete "U.S. Army Information Systems Command, Fort Huachuca, AZ" and replace with "U.S. Army Aviation Center, Fort Rucker, AL 36362-5000."

\* \* \* \* \*

*Categories of records in the system:*

Delete "medical examinations reports; performance appraisals".

\* \* \* \* \*

*Routine uses of records maintained in the system, including categories of users and the purposes of such uses:*

Delete "Federal Aviation Agency" and replace with "Federal Aviation Administration".

\* \* \* \* \*

*Retention and disposal:*

Delete "performance assessments, medical examination results".

\* \* \* \* \*

*System manager(s) and address:*

Delete entry and replace with "Commander, U.S. Army Training and Doctrine Command, Fort Monroe, VA 23651-5000."

*Notification procedure:*

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Air

Traffic Control facility where assigned or to Commander, U.S. Army Aviation Center, Fort Rucker, AL 36362-5000.

Individual should provide the full name, details which will facilitate locating the records, current address and signature."

*Record access procedures:*

Delete entry and replace with "Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Air Traffic Control facility where assigned or to Commander, U.S. Army Aviation Center, Fort Rucker, AL 36362-5000."

Individual should provide the full name, details which will facilitate locating the records, current address and signature."

*Record source categories:*

Delete "Federal Aviation Agency" and replace with "Federal Aviation Administration".

\* \* \* \* \*

**A0095-37TRADOC-ATC**

**SYSTEM NAME:**

Air Traffic Controller Records.

**SYSTEM LOCATION:**

Primary system is at U.S. Army Aviation Center, Fort Rucker, AL 36362-5000.

Segments are located at Army Air Traffic Control facilities at fixed Army airfields and other aviation units requiring Air Traffic Control personnel. Official mailing addresses are published as an appendix to the Army's compilation of record systems notices.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Air Traffic Controllers employed by the Department of the Army.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Name, Social Security Number, Air Traffic Controller qualifications, training and proficiency date; ratings and date assigned to current facility; and similar relevant documents.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

Federal Aviation Act of 1958, 49 U.S.C. 313, 601, 1354, and 1421.

**PURPOSE(S):**

To determine proficiency of Air Traffic Controllers and reliability of the Air Traffic Control system operations within the Department of the Army.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

Information may be disclosed to the Federal Aviation Administration, the National Transportation Safety Board, and similar authorities in connection with aircraft accidents, incidents, or traffic violations.

The "Blanket Routine Uses" published at the beginning of the Army's compilation of system of record notices also apply to this record system.

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:****STORAGE:**

Paper records in file folders; cards; magnetic tapes/discs.

**RETRIEVABILITY:**

By individual's surname.

**SAFEGUARDS:**

Records are maintained in secure areas available only to designated persons having official need for the record.

**RETENTION AND DISPOSAL:**

Records are retained so long as individual is employed or on active duty. Copy of controller's qualifications, training, and similarly relevant data are maintained indefinitely at primary location.

**SYSTEM MANAGER(S) AND ADDRESS:**

Commander, U.S. Army Training and Doctrine Command, Fort Monroe, VA 23651-5000.

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Air Traffic Control facility where assigned or to Commander, U.S. Army Aviation Center, Fort Rucker, AL 36362-5000.

Individual should provide the full name, details which will facilitate locating the records, current address and signature.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Air Traffic Control facility where assigned or to Commander, U.S. Army Aviation Center, Fort Rucker, AL 36362-5000.

Individual should provide the full name, details which will facilitate locating the records, current address and signature.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting contents, and appealing initial determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

From the individual, individual's supervisor, Army or Federal Aviation Administration physicians, Air Traffic Control Facility Personnel Status Reports (DA Form 3479-6-R).

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

**A0145-1aTRADOC-ROTC***System name:*

ROTC Applicant/Member Records (50 FR 22173, May 29, 1985).

*Changes:*

\* \* \* \* \*

*System location:*

Delete entry and replace with "Headquarters, U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, Fort Monroe, VA 23651-5000. Segments of the system exist at the U.S. Total Army Personnel Command, 200 Stovall Street, Alexandria, VA 22332-0400 and in offices of the Professor of Military Science at civilian educational institutions in ROTC regional offices."

\* \* \* \* \*

*Retention and disposal:*

Delete "DA Form 131" and replace with "Cadet Command Form 139".

\* \* \* \* \*

*System manager(s) and address:*

Delete entry and replace with "Commander, U.S. Army Training and Doctrine Command, Fort Monroe, VA 23651-5000."

*Notification procedure:*

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Reserve Officers Training Corps (ROTC), Fort Monroe, VA 23651-5000 or the Commander, U.S. Total Army Personnel Command, 200 Stovall Street, Alexandria, VA 22332-0400.

Individual should provide the full name, current address and telephone number and definitive description of the information sought."

*Record access procedures:*

Delete entry and replace with "Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Commander, U.S. Army Reserve Officers Training Corps (ROTC), Fort Monroe, VA 23651-5000 or the Commander, U.S. Total Army Personnel Command, 200 Stovall Street, Alexandria, VA 22332-0400.

Individual should provide the full name, current address and telephone number and definitive description of the information sought."

\* \* \* \* \*

**A0145-1aTRADOC-ROTC****SYSTEM NAME:**

ROTC Applicant/Member Records.

**SYSTEM LOCATION:**

Headquarters, U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, Fort Monroe, VA 23651-5000. Segments of the system exist at the U.S. Total Army Personnel Command, 200 Stovall Street, Alexandria, VA 22332-0400 and in offices of the Professor of Military Science at civilian educational institutions in ROTC regional offices.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Persons who apply and are accepted into the Army ROTC program.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Application for appointment, which includes such personal data as name, Social Security Number, date and place of birth, citizenship, home address and telephone number; marital status; dependents; transcripts and certificates of education, training, and qualifications; medical examinations; financial assistance documents; awards; ROTC contract; photograph; correspondence between the member and the Army or other Federal agencies; letter of appointment in Active Army on completion of ROTC status; security clearance documents; official documents such as Cadet Command Form 139, DA Form 597, DA Form 61, DA Form 873, SF 88 and SF 93, DD Forms 4/1-4/2, and DOJ Form I-151 if applicable.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

10 U.S.C. 2101-2111 and Executive Order 9397.

**PURPOSE(S):**

These records are used in the selection, training, and commissioning of eligible ROTC cadets in the Active Army and Reserve Forces and for

personnel management, strength accounting, and manpower management purposes.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

Information may be disclosed to the Federal Aviation Administration to obtain flight certification and/or licensing; to the Veterans Administration for member Group Life Insurance and/or other benefits.

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:**

**STORAGE:**

Paper records in folders; punched cards; microfilm/fiche; magnetic tape, drum, or disc.

**RETRIEVABILITY:**

By name or Social Security Number.

**SAFEGUARDS:**

All records are maintained in areas accessible only to authorized personnel who have official need in the performance of their assigned duties. Automated records are further protected by assignment of users identification and password edits to protect the system from unauthorized access and to restrict each user to specific files and data elements. User identification and passwords are changed at random times; control data are maintained by the system manager in a sealed envelope in an authorized safe.

**RETENTION AND DISPOSAL:**

Cadet Command Form 139 is retained in the ROTC unit for 5 years after cadet leaves the institution or is disenrolled from the ROTC program. Following successful completion of ROTC and academic programs and appointment as a commissioned officer with initial assignment to active duty for training, copy of pages 1 and 2 are reproduced and sent to the commandant of individual's basic branch course school. Records of rejected ROTC applicants are destroyed. Other records mentioned in preceding paragraphs are destroyed if not required to become part of individual's Military Personnel Records Jacket.

**SYSTEM MANAGER(S) AND ADDRESS:**

Commander, U.S. Army Training and Doctrine Command, Fort Monroe, VA 23651-5000.

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the

Commander, U.S. Army Reserve Officers Training Corps (ROTC), Fort Monroe, VA 23651-5000 or the Commander, U.S. Total Army Personnel Command, 200 Stovall Street, Alexandria, VA 22332-0400.

Individual should provide the full name, current address and telephone number and definitive description of the information sought.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Commander, U.S. Army Reserve Officers Training Corps (ROTC), Fort Monroe, VA 23651-5000 or the Commander, U.S. Total Army Personnel Command, 200 Stovall Street, Alexandria, VA 22332-0400.

Individual should provide the full name, current address and telephone number and definitive description of the information sought.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting contents, and appealing initial determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

From the individual, civilian educational institutions, official Army records addressing entitlement status, medical examination and treatment, security determination, and attendance and training information while an ROTC cadet.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

**A0145-1bTRADOC-ROTC**

*System name:*

ROTC Financial Assistance (Scholarship) Application File (50 FR 22226, May 29, 1985).

*Changes:*

\* \* \* \* \*

*System location:*

Delete "U.S. Army Training and Doctrine Command (TRADOC)" and replace with "U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, Fort Monroe, VA 23651."

\* \* \* \* \*

*Purpose(s):*

Delete the numbers "1, 2 and 4" and replace with 2-, 3- and 4-.

\* \* \* \* \*

*Notification procedure:*

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, ATTN: ATCC-PS, Fort Monroe, VA 23651-5000.

Individual should provide the full name, current address and telephone number and definitive description of the information sought.

*Record access procedures:*

Delete entry and replace with "Individuals seeking access to records about themselves in this record system should address written inquiries to the Commander, U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, ATTN: ATCC-PS, Fort Monroe, VA 23651-5000.

Individual should provide the full name, current address and telephone number and definitive description of the information sought.

\* \* \* \* \*

**A0145-1bTRADOC-ROTC**

**SYSTEM NAME:**

ROTC Financial Assistance (Scholarship) Application File.

**SYSTEM LOCATION:**

Primary location is at U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, Fort Monroe, VA 23651-5000.

Segments exist at U.S. Army Reserve Officers' Training Corps (ROTC) Regions, ROTC elements of civilian educational institutions.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Students and service members who desire to participate in the Army ROTC Financial Assistance (Scholarship Program).

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Individual's application for membership, academic transcripts, college board scores and test results, references, photograph, interview board results, acceptance/declination, selection board action including applicant's scores in areas evaluated, notice of applicant's medical status including reports of medical examination, evaluation of applicant by Professor of Military Science commanding officer, letters of recommendation, inquiries regarding applicant's selection/non-selection, reports of ROTC Advanced, Ranger, or



Basic Camp performance of applicant, information of applicant's choice of institution.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

10 U.S.C. 2101-2111 and Executive Order 9397.

**PURPOSE(S):**

To administer the financial assistance program; to select recipient for 2, 3, and 4-year scholarships; to monitor selectee's academic and ROTC performance; to develop policies and procedures, compile statistics and render reports.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

The "Blanket Routine Uses" set forth at the beginning of the Army's compilation of record system notices.

**DISCLOSURE TO CONSUMER REPORTING AGENCIES:**

Disclosure pursuant to 5 U.S.C. 552a(b)(12) may be made from this system to consumer reporting agencies as defined in the Fair Credit Reporting Act of 1966 (15 U.S.C. 1681a(f)) or the Federal Claims Collection Act of 1966 (31 U.S.C. 3701(a)(3)).

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:**

**STORAGE:**

Paper records in file folder; selected data automated for management purposes on tapes, discs, cards, microfilm/fiche.

**RETRIEVABILITY:**

By individual's name, Social Security Number, other characteristics of qualification or identity.

**SAFEGUARDS:**

Records maintained in areas accessible only to authorized personnel having official need in the performance of duties.

**RETENTION AND DISPOSAL:**

Destroyed 1 year after individual graduates or is disenrolled.

**SYSTEM MANAGER(S) AND ADDRESS:**

Commander, U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, Fort Monroe, VA 23651-5000.

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Reserve Officers Training Corps (ROTC) Cadet

Command, ATTN: ATCC-PS, Fort Monroe, VA 23651-5000.

Individual should provide the full name, current address and telephone number and definitive description of the information sought.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Commander, U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, ATTN: ATCC-PS, Fort Monroe, VA 23651-5000.

Individual should provide the full name, current address and telephone number and definitive description of the information sought.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting contents, and appealing initial determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

From the individual, medical records, academic institutions, Army agencies and commands.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

**A0145-2TRADOC**

*System name:*

Junior ROTC/NDCC Instructor Files  
(50 FR 22227, May 29)

*Changes:*

\* \* \* \* \*

*System location:*

Delete "US Army Training and Doctrine Command (TRADOC)" and replace with "U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command".

\* \* \* \* \*

*Notification procedure:*

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, Fort Monroe, VA 23651-5000 or commanders of organizations listed in "System location".

Individual should provide the full name, Social Security Number/military service number, duty position, academic department, and dates of service at the training activity."

*Record access procedures:*

Delete entry and replace with "Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Commander, U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, Fort Monroe, VA 23651 or commanders of organizations listed in "System location".

Individual should provide the full name, Social Security Number/military service number, duty position, academic department, and dates of service at the training activity."

\* \* \* \* \*

**A0145-2TRADOC**

**SYSTEM NAME:**

Junior ROTC/NDCC Instructor Files.

**SYSTEM LOCATION:**

U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, Ft Monroe, VA 23651-5000; schools, colleges, training centers and ROTC Regions at Ft Bragg, NC; Ft Knox, KY; Ft Riley, KS; and Ft Lewis, WA.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Assigned and potential instructors and guest speakers at above locations.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Instructor evaluation forms, qualification data, biographical sketches and similar or related documents.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

10 U.S.C. 2031 and 4651 and Executive order 9397.

**PURPOSE(S):**

To provide record of qualifications, experience, effectiveness, and similar related information on potential and/or assigned instructors and guest speakers.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

The "Blanket Routine Uses" set forth at the beginning of the Army's compilation of record system notices apply to this record system.

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:**

**STORAGE:**

Paper records in file folders and card files.

**RETRIEVABILITY:**

By name, Social Security number/ service number, and year.

**SAFEGUARDS:**

Records are stored in locked cabinets or rooms, depending on location.

**RETENTION AND DISPOSAL:**

Records are destroyed 2 years after instructor's transfer or separation or after guest speaker speaks.

**SYSTEM MANGER(S) AND ADDRESS:**

Commander, U.S. Army Training and Doctrine Command, Ft Monroe, VA 23651-5000.

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained this record system should address written inquiries to the Commander, U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, Fort Monroe, VA 23651-5000 or commanders of organizations listed in "System location".

Individual should provide the full name, Social Security Number/military service number, duty position, academic department, and dates of service at the training activity.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Commander, U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, Fort Monroe, VA 23651-5000 or commanders of organizations listed in "System location".

Individual should provide the full name, Social Security Number/military service number, duty position, academic department, and dates of service at the training activity.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Commander, U.S. Army Reserve Officers Training Corps (ROTC) Cadet Command, Fort Monroe, VA 23651-5000 or commanders of organizations listed in "System location".

Individual should provide the full name, Social Security Number/military service number, duty position, academic department, and dates of service at the training activity.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting contents; and appealing initial determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

Staff and faculty of appropriate school, college, training center, or ROTC Region responsible for conduct of instruction.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

**A0350-37TRADOC****System name:**

Skill Qualification Test (SQT) (50 FR 22195, May 29, 1985).

**Changes:**

\* \* \* \* \*

**System location:**

Delete entry and replace with "Individual Training Evaluation Directorate, U.S. Army Training Support Center (USATSC), Ft Eustis, VA 23604: main computer location, ITEP enlisted master file, individual SQT results, and original test forms.

Training Standards Officers (TSOs) at military installations worldwide; transmittal rosters and graded microfiche, (HISTORICAL).

U.S. Total Army Personnel Command Enlisted Records and Evaluation Center (USATAPCEREC): Soldier's SQT scores (DA Form 2A).

Supervisory Noncommissioned Officers (NCOs) at unit level worldwide: Job Books and Field Expedient Squad Books (DA Form 5165-R)."

\* \* \* \* \*

**Categories of records in the system:**

Delete entry and replace with "Soldier response history of answers to SQTs, both individual cumulative; analyses of soldier's test results. The ITEP enlisted master file contains update listings of name, Social Security Number, pay grade, and primary military occupational specialties (MOS), and component. File in TSO (located at the soldier's installation) contains name, rank and Social Security Number. Job Book and Field Expedient Squad Book (DA Form 5165-R) (located at soldier's unit) contains name, rank, and record of individual performance of job tasks conducted in a unit training environment."

\* \* \* \* \*

**Purpose(s):**

Delete "SQT" and add after Job Book "and Field Expedient Squad Books (DA Form 5165-R)".

\* \* \* \* \*

**Notification procedure:**

Delete entry and replace with "Individuals seeking to determine if

information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Training Support Center, ATTN: ATIC-IT, Ft Eustis, VA 23604-5000.

Individuals should provide identification to prevent disclosure to unauthorized persons."

**Record access procedures:**

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Training Support Center, ATTN: ATIC-IT, Ft Eustis, VA 23604-5000.

Individuals should provide identification to prevent disclosure to unauthorized persons. If inquiring in person, individual should present appropriate identification such as valid driver's license."

\* \* \* \* \*

**Exemptions claimed for the system:**

Delete entry and replace with "Portions of this system of records may be exempt pursuant to 5 U.S.C. 552a(k)(6) as applicable.

An exemption rule for this system has been promulgated in accordance with requirements of 5 U.S.C. 553(b) (1), (2), and (3), (c) and (e) and published in 32 CFR part 505. For additional information contact the system manager."

\* \* \* \* \*

**A0350-37TRADOC****SYSTEM NAME:**

Skill Qualification Test (SQT).

**SYSTEM LOCATION:**

Individual Training Evaluation Directorate, U.S. Army Training Support Center (USATSC), Ft Eustis, VA 23604: Main computer location, ITEP enlisted master file, individual SQT results, and original test forms.

Training Standards Offices (TSOs) at military installations worldwide; transmittal rosters and graded microfiche, (HISTORICAL).

U.S. Total Army Personnel Agency Enlisted Records and Evaluation Center (USATAPCEREC): Soldier's SQT scores (DA Form 2A).

Supervisory Noncommissioned Officers (NCOs) at unit level worldwide: Job Books and Field Expedient Squad Books (DA Form 5165-R).

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

All active Army and Reserve Component enlisted personnel who take the SQT.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Soldier response history of answers to SQTs, both individual cumulative; analyses of soldier's test results. The ITEP enlisted master file at Individual Training Evaluation Directorate contains update listings of name, Social Security Number, pay grade, and primary military occupational specialties (MOS), and component. File in TSO (located at the soldier's installation) contains name, rank and Social Security Number. Job Book and Field Expedient Squad Book (DA Form 5165-R) (located at soldier's unit) contains name, rank, and record of individual performance of job tasks conducted in a unit training environment.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

10 U.S.C. 3013 and Executive order 9397.

**PURPOSE(S):**

Skill Qualification Test scores are used to measure a soldier's job proficiency, to determine eligibility for schooling and eligibility for promotions. Job Books and Field Expedient Squad Books (DA Form 5165-R) are used by commanders and noncommissioned officers to assess individual and unit proficiency and combat readiness and to identify routine and intensified training needs.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

The "Blanket Routine Uses" set forth at the beginning of the Army's compilation of record system notices apply to this system.

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORD IN THE SYSTEM:****STORAGE:**

Paper records in file folders; magnetic tape/disc; computer printouts.

**RETRIEVABILITY:**

Paper records filed in folders retrieved by processing date and imprint serial number; computer magnetic tape and disc retrieved by Social Number and name.

**SAFEGUARDS:**

Paper records are filed in folders stored in a locked room. Magnetic tapes are kept in controlled vault area.

Magnetic disks are protected by a user identification and manual controls.

**RETENTION AND DISPOSAL:**

Magnetic tapes are retained 1 year after which data are erased; discs retained for 8 months before data are erased; hard copy is retained for 5 years; then destroyed.

**SYSTEM MANAGER(S) AND ADDRESS:**

Commander, U.S. Army Training and Doctrine Command, Ft. Monroe, VA 23651-5000.

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Training Support Center, ATTN: ATIC-IT, Ft. Eustis, VA 23604-5000.

Individuals should provide identification to prevent disclosure to unauthorized persons.

**RECORD ACCESS PROCEDURES:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Training Support Center, ATTN: ATIC-IT, Ft. Eustis, VA 23604-5000.

Individuals should provide identification to prevent disclosure to unauthorized persons.

If inquiring in person, individual should present appropriate identification such as valid driver's license.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting contents, and appealing initial determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD CATEGORIES:**

From the individual, other Department of Army staff and commands in document and computer readable form.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

Portions of this system of records may be exempt pursuant to 5 U.S.C. 552a(k)(6) as applicable.

An exemption rule for this system has been promulgated in accordance with requirements of 5 U.S.C. 553 (b)(1), (2), and (3), (c) and (e) and published in 32 CFR part 505. For additional information contact the system manager.

**A0351aTRADOC****System name:**

Army School Student Files (50 FR 22228, May 29, 1985).

**Change(s):**

\* \* \* \* \*

**System location:**

Delete entry and replace with "All Army schools, colleges, and training centers. Official mailing addresses are published as an appendix to the Army's compilation of record systems notices."

\* \* \* \* \*

**Routine uses of records maintained in the system, including categories of users and the purposes of such uses:**

Delete entry and replace with "The "Blanket Routine Uses" set forth at the beginning of the Army's compilation of record system notices apply to this system."

\* \* \* \* \*

**Safeguards:**

Delete "therefor" and replace with "thereof."

\* \* \* \* \*

**Notification procedures:**

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Academic Record Office of the Army school, college, or training center attended."

Individual should provide the full name, student number, course title and class number, or description of type training received and dates of attendance/enrollment."

**Record access procedures:**

Delete entry and replace with "Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Academic Record Office of the Army school, college, or training center attended."

Individual should provide the full name, student number, course title and class number, or description of type training received and dates of attendance/enrollment."

\* \* \* \* \*

**A0351aTRADOC****SYSTEM NAME:**

Army School Student Files.

**SYSTEM LOCATION:**

All Army schools, colleges, and training centers.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Students who attend formal and/or nonresident courses of instruction at Army schools, colleges and training centers.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Individual academic records consisting of courses attended, length of each, extent of completion and results; aptitudes and personal qualities, including corporate fitness results; grade and rating attained; and related information; collateral individual training records comprising information posted to the basic individual academic training record or other long term records; faculty board files pertaining to the class standing/rating/classification/proficiency of students; class academic records maintained by training instructors indicating attendance and progress of class member instructors indicating attendance and progress of class members.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

5 U.S.C. 301 and Executive Order 9397.

**PURPOSE(S):**

To determine eligibility of students for attendance, monitor progress, record completion of academic requirements, and document courses which may be prerequisites for attendance/participation in other courses of instruction.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:**

The "Blanket Routine Uses" set forth at the beginning of the Army's compilation of record system notices apply to this system.

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM.****STORAGE:**

Paper records in file folders, cards, computer magnetic tapes/disks; printouts.

**RETRIEVABILITY:**

By individual's name, Social Security number/military service number.

**SAFEGUARDS:**

Information is stored in locked cabinets or rooms, accessed only by authorized individuals having official need thereof.

**RETENTION AND DISPOSAL:**

Individual and class academic records are destroyed after 40 years; collateral individual training records and faculty board files are destroyed after 1 year.

**SYSTEM MANAGER(S) AND ADDRESS:**

Commander, U.S. Army Training and Doctrine Command, Ft. Monroe, VA 23651.

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Academic Record Office of the Army school, college, or training center attended.

Individual should provide the full name, student number, course title and class number, or description of type training received and dates of attendance/enrollment.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Academic Record Office of the Army School, college, or training center attended.

Individual should provide full name, student number, course title and class number, or description of type training received and dates of attendance/enrollment.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting contents; and appealing initial determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

From the staff and faculty of appropriate school, college, or training center responsible for the instruction.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

**A0351bTRADOC****System name:**

Army Correspondence Course Program (ACCP) (50 FR 22229, May 29, 1985).

**Changes:****System name:**

Delete entry and replace with "TRADOC Educational Data System"

**System location:**

Delete entry and replace with "U.S. Army Training Support Center, Fort Eustis, VA 23604-5000."

**Categories of individuals covered by the system:**

Delete "resident/non-resident course at a US Army service school." and replace with "nonresident course administered by the Army Institute for Professional Development."

\* \* \* \* \*

**Authority for maintenance of the system:**

Add at the end "Executive Order 9397".

\* \* \* \* \*

**Safeguards:**

Delete entry and replace with "Random number sign-on authentication for each inquiry made to the system is required. Sign-on decks to enable such access are updated weekly, safeguarded under Army Regulation 380-19, Information Systems Security, and are unique to one terminal only. Access is granted only to designated personnel at the Army Institute for Professional Development responsible for the administration and processing of nonresident students."

**Retention and disposal:**

Delete "service school for 6 years, then transferred to the National Personnel Records Center, St. Louis, MO, where it is retained for 34 years, then destroyed." and replace with "Army Institute of Professional Development for 3 years, then transferred to the National Personnel Records Center, St. Louis, MO, where it is retained for 37 years, then destroyed."

**System manager(s) and address:**

Delete entry and replace with "Commander, U.S. Army Training Support Center, ATTN: Institute for Professional Development, Fort Eustis, VA 23604-5000."

**Notification procedure:**

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Training Support Center, ATTN: Institute for Professional Development, Fort Eustis, VA 23604-5000."

Individual should provide the full name, Social Security Number, and Signature for identification.

Individual making request in person must provide acceptable identification such as driver's license and military identification."

**Record access procedures:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Commander, U.S. Army Training Support Center, ATTN: Institute for Professional Development, Fort Eustis, VA 23604-5000.

Individual should provide the full name, Social Security Number, and signature for identification.

Individual making request in person must provide acceptable identification such as driver's license and military identification."

\* \* \* \* \*

**A0351bTRADOC****SYSTEM NAME:**

TRADOC Educational Data System.

**SYSTEM LOCATION:**

U.S. Army Training Support Center, Fort Eustis, VA 23604-5000.

**CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Members of the Army, Navy, Marine Corps, and Air Force, Reserve Officer Training Corps and National Defense Cadet Corps students, Department of Defense civilian employees, and approved foreign military personnel enrolled in a nonresident course administered by the Army Institute for Professional Development.

**CATEGORIES OF RECORDS IN THE SYSTEM:**

Files contain name, grade/rank, Social Security Number, address, service component, branch, personnel classification, military occupational specialty, credit hours accumulated, examination and lesson grades, student academic status, curricula, course description.

**AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

10 U.S.C. 3013 and Executive Order 9397.

**PURPOSE(S):**

To record lessons and/or exam grades; maintain student academic status; course and subcourse descriptions; produce course completion certificates and reflect credit hours earned; and produce management summary reports.

**ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

The "Blanket Routine Uses" published at the beginning of the Army's compilation of system of records notices apply to this record system

**POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:****STORAGE:**

Magnetic tapes, discs, and paper printouts.

**RETRIEVABILITY:**

By Social Security Number.

**SAFEGUARDS:**

Random number sign-on authentication for each inquiry made to the system is required. Sign-on decks to enable such access are updated weekly, safeguarded under Army Regulation 380-19, Information Systems Security, and are unique to one terminal only. Access is granted only to designated personnel at the Army Institute for Professional Development responsible for the administration and processing of nonresident students.

**RETENTION AND DISPOSAL:**

Machine records are retained during student's enrollment, after which student's records are transferred to the Academic Records System History File for indefinite retention. Nonresident students are assigned a 6 month enrollment period or, if in multiple subcourses, an enrollment period of 1 year. A hard copy transcript reflecting the student's personal and academic data is produced; this is retained by the Army Institute of Professional Development for 3 years, then transferred to the National Personnel Records Center, St. Louis, MO, where it is retained for 37 years, then destroyed.

**SYSTEM MANAGER(S) AND ADDRESS:**

Commander, U.S. Army Training Support Center, ATTN: Institute for Professional Development, Ft Eustis, VA 23604-5000.

**NOTIFICATION PROCEDURE:**

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Commander, U.S. Army Training Support Center, ATTN: Institute for Professional Development, Fort Eustis, VA 23604-5000.

Individual should provide the full name, Social Security Number, and signature for identification.

Individual making request in person must provide acceptable identification such as driver's license and military identification.

**RECORD ACCESS PROCEDURES:**

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Commander, U.S. Army

Training Support Center, ATTN: Institute for Professional Development, Fort Eustis, VA 23604-5000.

Individual should provide the full name, Social Security Number, and signature for identification.

Individual making request in person must provide acceptable identification such as driver's license and military identification.

**CONTESTING RECORD PROCEDURES:**

The Army's rules for accessing records, contesting content, and appealing initial determination are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

**RECORD SOURCE CATEGORIES:**

From individual upon enrollment, from class records and instructors, from student's personnel records, and from graded examinations.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

**A0351cTRADOC****System name:**

Standardization Student Record System (50 FR 22231, May 29, 1985).

**Changes:**

\* \* \* \* \*

**Authority for maintenance of the system:**

Add at the end "Executive Order 9397."

\* \* \* \* \*

**System manager(s) and address:**

Delete entry and replace with "Commander, U.S. Army Training and Doctrine Command, Fort Monroe, VA 23651-5000."

**Notification procedure:**

Delete entry and replace with "Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Defense Language Institute, Presidio of Monterey, CA 93940.

Individual should provide the full name, current address and telephone number, Social Security Number, class attended, and year graduated."

**Record access procedures:**

Delete entry and replace with "Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Defense Language Institute, Presidio of Monterey, CA 93940.

Individual should provide the full name, current address and telephone number, Social Security Number, class attended, and year graduated."

#### A0351cTRADOC

##### SYSTEM NAME:

Standardized Student Records System.

##### SYSTEM LOCATION:

Defense Language Institute, Presidio of Monterey, CA 93940.

##### CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Persons who have been enrolled for foreign language training at the Defense Language Institute.

##### CATEGORIES OF RECORDS IN THE SYSTEM:

Individual's name, Social Security Number, and military administrative data, together with academic data generated at Defense Language Institute.

##### AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

10 U.S.C. 3013 and Executive Order 9397.

##### PURPOSE(S):

To establish a permanent student record used for issuing official grade transcripts and preparing statistical studies to improve training and testing methods.

##### ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The "Blanket Routine Uses" published at the beginning of the Army's compilation of system of records notices apply to this record system.

##### POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

##### STORAGE:

Magnetic tapes/discs.

##### RETRIEVABILITY:

By Social Security Number.

##### SAFEGUARDS:

Records are accessible via remote terminal only by authorized personnel citing established user identifier and password

##### RETENTION AND DISPOSAL:

Records are permanent. They are retained in active file (on-line) until the student departs; then retired to a history tape.

##### SYSTEM MANAGER(S) AND ADDRESS:

Commander, U.S. Army Training and Doctrine Command, Fort Monroe, VA 23651-5000.

##### NOTIFICATION PROCEDURE:

Individuals seeking to determine if information about themselves is contained in this record system should address written inquiries to the Defense Language Institute, Presidio of Monterey, CA 93940.

Individual should provide the full name, current address and telephone number, Social Security number, class attended, and year graduated.

##### RECORD ACCESS PROCEDURES:

Individuals seeking access to records about themselves contained in this record system should address written inquiries to the Defense Language Institute, Presidio of Monterey, CA 93940.

Individual should provide the full name, current address and telephone number, Social Security Number, class attended, and year graduated.

##### CONTESTING RECORD PROCEDURES:

The Army's rules for accessing records, contesting contents, and appealing initial determinations are contained in Army Regulation 340-21; 32 CFR part 505; or may be obtained from the system manager.

##### RECORD SOURCE CATEGORIES:

From the individual; staff and faculty.

##### EXEMPTIONS CLAIMED FOR THE SYSTEM:

None.

[FR Doc. 91-20851 Filed 8-29-91; 8:45 am]

BILLING CODE 3810-01-M

## DEPARTMENT OF EDUCATION

### Office of Administrative Law Judges; Intent to Compromise a Claim, Iowa Department of Education

**AGENCY:** Department of Education.

**ACTION:** Notice of intent to compromise a claim.

**SUMMARY:** The Department intends to compromise a claim against the Iowa Department of Education now pending before the Office of Administrative Law Judges (OALJ), Docket No. 90-52-R (20 U.S.C. 1234a(j)).

**DATES:** Interested persons may comment on the proposed action by submitting written data, views, or arguments on or before October 15, 1991.

**ADDRESSES:** Comments should be addressed to Dennis P. Koepfel, Esq., Office of the General Counsel, U.S. Department of Education, 400 Maryland

Avenue, SW., room 4083, FOB-6, Washington, DC 20202. Deaf and hearing impaired individuals may call the Federal Dual Party Relay Service at 1-800-877-8339 (in the Washington, DC 202 area code, telephone 708-9300) between 8 a.m. and 7 p.m., Eastern time.

**SUPPLEMENTARY INFORMATION:** The claim in question arose from an audit of the financial affairs and operations of the Iowa Department of Education (State) for the fiscal year ending June 30, 1986. The audit was performed by the Office of the Auditor of State, State of Iowa, to fulfill the requirements of Office of Management and Budget Circular A-128. The audit included evaluation of the internal control systems, including applicable internal administrative controls, used in administering Federal financial assistance programs. Among the systems examined was the State's system of maintaining time distribution records for employees who had multiprogram responsibilities. Time distribution records show how an employee's time has been divided among his or her different program responsibilities. During the course of the audit, the auditors discovered that the State maintained no system of time distribution.

Based on this finding, the Assistant Secretaries for Elementary and Secondary Education, Special Education and Rehabilitative Services, and Vocational and Adult Education, and the Director of the Financial Management Service notified the State in a Program Determination Letter, dated July 23, 1990, that it had to repay a total of \$240,803.68. In failing to maintain time distribution records, the State violated the provisions of 34 CFR 74.61 and 34 CFR part 74, appendix C, part II(B)(10)(b), which states in relevant part that "[s]alaries and wages of employees chargeable to more than one grant program or other cost objective will be supported by appropriate time distribution records." The State appealed the determinations to the OALJ.

Recovery of \$19,129.24 of the refund demand is barred by application of the statute of limitations provision in section 452(k) of the General Education Provisions Act, 20 U.S.C. 1234a(k). Thus, the Department's outstanding claim is \$221,674.44.

The Department intends to compromise the full amount of the \$221,674.44 claim for \$178,500. The State has implemented a time distribution system, and the Department is satisfied that the systematic deficiencies that resulted in the claim have been

corrected and will not recur. Given this factor, the percentage of the claim to be repaid, and the risk and cost of litigating the claim through the appeal process, the Department has determined that it would not be practical or in the public interest to continue this proceeding.

The public is invited to comment on the Department's intent to compromise this claim. Additional information may be obtained by writing to Dennis P. Koeppel at the address given at the beginning of this notice.

**Program Authority:** (20 U.S.C. 1234A(f)).

**Dated:** August 26, 1991.

**Gary J. Rasmussen,**  
Acting Deputy Under Secretary for  
Management.

[FR Doc. 91-20814 Filed 8-29-91; 8:45 am]

**BILLING CODE 4000-01-M**

**[CFDA No.: 84.023]**

**Research in Education of Individuals with Disabilities Program; Applications for New Awards for Fiscal Year 1992**

**Purpose of Program:** To advance and improve the knowledge base and improve the practice of professionals, parents, and others providing early

intervention, special education, and related services, including professionals in regular education environments, to provide children with disabilities effective instruction and enable them to successfully learn.

**Eligible Applicants:** State and local educational agencies, institutions of higher education, and other public agencies and nonprofit private organizations.

**Applications Available:** September 13, 1991.

**Applicable Regulations:** (a) The Education Department General Administrative Regulations (EDGAR) in 34 CFR parts 74, 75, 77, 80, 81, 82, 85, and 86; and (b) The regulations for this program in 34 CFR part 324.

**Priorities:** Under 34 CFR 75.105(c)(3) and 34 CFR 324.10 the Secretary gives an absolute preference to applications that meet one of the following priorities. The Secretary funds under this program only applications that meet one of these absolute priorities:

**Absolute Priority 1: Field-Initiated Research Projects (CFDA 84.023C)**

This priority provides support for a broad range of field-initiated research projects focusing on special education for children and youth with disabilities and early intervention services for

infants and toddlers, consistent with the purposes of the program as stated in 34 CFR 324.1. This priority allows projects to address problems identified by researchers or investigators in the field.

**Absolute Priority 2: Student-Initiated Research Projects (CFDA 84.023B)**

This priority provides support for a broad range of student-initiated research projects focusing on special education for children and youth with disabilities and early intervention services for infants and toddlers, consistent with the purposes of the program as stated in 34 CFR 324.1. **Invitational priority:** Within Absolute Priority 2 specified in this notice, the Secretary is particularly interested in applications that meet the following invitational priority. However, under 34 CFR 75.105(c)(1) an application that meets this invitational priority does not receive competitive or absolute preference over other applications: Short-term projects (up to 18 months) that would develop research skills in postsecondary students. The Secretary further encourages projects that, while carried out by the student, would include a principal investigator who serves as a mentor to the student/researcher.

**RESEARCH PRIORITIES FOR FISCAL YEAR 1992**

Title and CFDA No.	Deadline for transmittal of applications	Available funds	Estimated range of awards	Estimated size of awards	Estimated number of awards	Project period in months
Field-Initiated Research Projects (CFDA No. 84.023C) .....	10/25/91	\$2,100,000	<sup>1</sup> \$100,000-157,000	\$131,250 per year.	16	Up to 60.
Student-Initiated Research Projects (CFDA No. 84.023B) .....	1/10/92	150,000	<sup>2</sup> \$5,000-15,000	10,000 for entire project period.	15	Up to 18.

<sup>1</sup> Projects will not be funded in excess of \$157,000. Any project approved by reviewers that exceeds the estimated size of award will be required to be performed, as proposed, within the announced amount. Multi-year projects are likely to be level funded unless there are increases in costs attributable to significant changes in activity level.

<sup>2</sup> Projects will not be funded in excess of \$15,000. Any project approved by reviewers that exceeds the estimated size of award will be required to be performed, as proposed, within the announced amount.

**Contact Person:** Linda Glidewell,  
Division of Innovation and  
Development, Office of Special  
Education Programs, Department of  
Education, 400 Maryland Avenue, SW  
(Switzer Building, room 3524-M/S 2640),  
Washington, DC 20202. Telephone: (202)  
732-1099.

**Program Authority:** 20 U.S.C. 1441-1444.

**Dated:** August 26, 1991.

**Robert R. Davila,**  
Assistant Secretary, Office of Special  
Education and Rehabilitative Services.  
[FR Doc. 91-20815 Filed 8-29-91; 8:45 am]  
**BILLING CODE 4000-01-M**

**Indian Education National Advisory Council; Meeting**

**AGENCY:** Department of Education.

**ACTION:** Notice of closed meeting.

**SUMMARY:** This notice sets forth the schedule and proposed agenda of a forthcoming meeting of the Executive/ Search Committee of the National Advisory Council on Indian Education. This notice also describes the functions of the Council. Notice of this meeting is required under section 10(a)(2) of the Federal Advisory Committee Act.

**DATE AND TIME:** September 30, 1991, 9 a.m. until 2 p.m.

**ADDRESS:** Berkeley Room, Vista International Hotel, 1400 M Street, N.W., Washington, DC 20005. Telephone: 202/429-1700.



**FOR FURTHER INFORMATION CONTACT:**

John Cheek, Office Manager, National Advisory Council on Indian Education, 330 C Street SW., Room 4072, Switzer Building, Washington, DC 20202-7556. Telephone: 202/732-1353.

**SUPPLEMENTARY INFORMATION:**

The National Advisory Council on Indian Education is established under section 5342 of the Indian Education Act of 1988 (25 U.S.C. 2642). The Council is established to, among other things, assist the Secretary of Education in carrying out responsibilities under the Indian Education Act of 1988 (part C, title V, Pub. L. 100-297) and to advise Congress and the Secretary of Education with regard to federal education programs in which Indian children or adults participate or from which they can benefit. The Council is authorized to appoint, without regard to the provisions of title 5 United States Code governing appointments in the competitive service, or otherwise obtain the services of such professional, technical, and clerical personnel as may be necessary to enable it to carry out its functions as prescribed by law. The Council is currently undergoing a search process to appoint a permanent Executive Director to serve as chief staff member of the Council.

On September 30, 1991 the Executive/ Search Committee will meet in closed session beginning at 9 a.m. until the conclusion of business at approximately 2 p.m. to review applications for the position of Executive Director of the Council. The agenda will consist of review of the search process, review of the applications, and preparation of questions and guidelines to be used in the interviews of the candidates. The Committee will evaluate the qualifications and experience of each applicant and select applicants to be interviewed by the full Council.

The closed meeting of the Executive/ Search Committee will involve discussions which relate solely to the internal personnel rules and practices of the Council and will disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy if conducted in open session. Such matters are protected by exemptions (2) and (6) of section 552b(c) of the Government in the Sunshine Act (Pub. L. 94-409; 5 U.S.C. 552b(c)).

A summary of the activities of the closed meeting and related matters which are informative to the public consistent with the policy of title 5 U.S.C. 552b will be available to the public within 14 days of the meeting.

Dated: August 16, 1991. Signed at Washington, DC.

John T. MacDonald,

*Assistant Secretary for Elementary and Secondary Education.*

Eddie L. Tullis,

*Chairman, National Advisory Council on Indian Education.*

[FR Doc. 91-20775 Filed 8-29-91; 8:45 am]

BILLING CODE 4000-01-M

**DEPARTMENT OF ENERGY**

**Availability of Restricted Eligibility Solicitation, DE-PS01-91RW00231, for the Conduct of Feasibility Studies for the Siting of a Monitored Retrievable Storage Facility**

**AGENCY:** Department of Energy.

**ACTION:** Amended notice of availability to make grants of financial assistance on a restricted eligibility basis pursuant to 10 CFR 600.7(b)(1) in response to applications received from eligible States, Indian tribes and affected units of local government pursuant to section 406(b) of the Nuclear Waste Policy Act of 1982, as amended.

**SUMMARY:** On June 5, 1991, the Department of Energy published a Notice of Availability of a Restricted Eligibility Solicitation for the Conduct of Feasibility Studies for the siting of a Monitored Retrievable Storage (MRS) Facility. (56 FR 25674).

The restricted eligibility solicitation has been amended and is now available inviting the submission by eligible States, Indian tribes and affected units of local government of applications for financial assistance. Executive Order 12372, Intergovernmental Review of Federal Programs, as implemented by 10 CFR part 1005, applies to this program.

Those who have previously requested copies of the solicitation will be sent copies of the amendment to the solicitation.

**ADDRESSES:** Requests for copies of the solicitation and amendment must be in writing to: U.S. Department of Energy, Office of Placement and Administration Attn: Ms. Kristin Wright/PR-322.2, 1000 Independence Ave., SW., Washington, DC 20585.

For further information contact Ms. Wright on (202) 586-4285.

Issued in Washington, DC on August 26, 1991.

Scott Sheffield,

*Acting Director, Operations Division "B", Office of Placement and Administration.*

[FR Doc. 91-20901 Filed 8-29-91; 8:45 am]

BILLING CODE 6450-01-M

**Federal Energy Regulatory Commission**

[Docket Nos. QF89-251-000, et al.]

**Las Vegas Cogeneration Limited Partnership, et al.; Electric rate, Small Power Production, and Interlocking Directorate Filings**

Take notice that the following filings have been made with the Commission:

**1. Las Vegas Cogeneration Limited Partnership**

[Docket No. QF89-251-001]

August 19, 1991.

On August 9, 1991, Las Vegas Cogeneration Limited Partnership tendered for filing an amendment to its filing in this docket.

The amendment clarifies certain aspects of the ownership organizational structure of the facility.

*Comment date:* On or before September 20, 1991, in accordance with Standard Paragraph E at the end of this notice.

**2. Arkansas Power & Light Company**

[Docket No. ER91-549-000]

August 22, 1991.

Take notice that on August 13, 1991, Arkansas Power & Light Company tendered for filing the following documents:

(1) Addendum to Power Coordination, Interchange, and Transmission Agreement between the City of Conway, Arkansas and Arkansas Power and Light Company.

(2) Addendum to Power Coordination, Interchange, and Transmission Agreement between the City of West Memphis, Arkansas and Arkansas Power and Light Company.

*Comment date:* September 5, 1991 in accordance with Standard Paragraph E at the end of this notice.

**3. Niagara Mohawk Power Corporation**

[Docket No. ER91-556-000]

August 23, 1991.

Take notice that on July 25, 1991, Niagara Mohawk Power Corporation ("Niagara Mohawk"), tendered for filing a proposed change to Niagara Mohawk Rate Schedule No. 58, an agreement between Niagara Mohawk and Rochester Gas and Electric Corporation ("RGE").

Rate Schedule No. 58 provides for the use, by RGE, of certain of Niagara Mohawk's transmission facilities located in the Rochester, New York area. The proposed change revises the rates for this service. Niagara Mohawk proposes an effective date of October 1,

1987 and requests waiver of the Commission's notice requirements. In support thereof, Niagara Mohawk states that RGE has consented to this proposed effective date.

Copies of this filing were served upon the Public Service Commission of the State of New York and Rochester Gas & Electric Corporation.

*Comment date:* September 6, 1991, in accordance with Standard Paragraph E at the end of this notice.

**4. Central Power and Light Company  
Public Service Company of Oklahoma  
Southwestern Electric Power Company  
West Texas Utilities Company**

[Docket No. EL79-8-000]

August 23, 1991.

Take notice that on August 21, 1991, Central Power and Light Company ("CP&L"), Public Service Company of Oklahoma ("PSO"), Southwestern Electric Power Company ("SWEPCO"), West Texas Utilities Company ("WTU") (collectively, the "CSW Operating Companies"), Houston Lighting & Power Company ("HL&P") and Texas Utilities Electric Company ("TU Electric") jointly petitioned the Commission to extend the schedule for installing the 600 megawatt asynchronous direct current interconnection (the "East Interconnection") between SWEPCO's Welch generating station and TU Electric's Monticello generating station, both of which are located in Titus County, Texas. Petitioners proposed to complete the East Interconnection, as previously ordered in this proceeding, by installing 300 megawatts of intertie capacity no later than August 1995 and an additional 300 megawatts of capacity no later than August 1998, subject only to reasonable contingencies. Petitioners state that the rights of parties to the settlements in Docket Nos. EL79-8-000, *et al.*, will be unaffected by their proposal, which includes an undertaking to make available the full 90 megawatts of capacity required to be served for use by qualified utilities under prior Commission Orders upon the installation of the initial 300 megawatts of capacity at the East Interconnection.

*Comment date:* September 6, 1991, in accordance with Standard Paragraph E end of this notice.

**5. GWF Power Systems, L.P.**

[Docket No. QF86-138-004]

August 23, 1991.

On August 19, 1991, GWF Power Systems, L.P. tendered for filing an amendment to its filing in this docket.

The amendment provides additional information on ownership and process flow diagram

*Comment date:* September 20, 1991, in accordance with Standard Paragraph E at the end of this notice.

**6. Southern California Edison Company**

[Docket No. ER91-577-000]

August 23, 1991.

Take notice that on August 7, 1991, Southern California Edison Company (SCE) tendered for filing a Notice of Cancellation of the following agreements and rate schedules:

	Commission rate schedule
1. Edison Riverside: Supplemental Integration Agree- ment.....	250.11
Firm Transmission Service Agree- ment.....	250.12

SCE requests that the termination date for the rate schedules be August 1, 1991.

*Comment date:* September 6, 1991, in accordance with Standard Paragraph E at the end of this notice.

**7. Public Service Company of Colorado**

[Docket No. ER91-587-000]

August 23, 1991.

Take notice that on August 13, 1991, Public Service Company of Colorado (Public Service Company) tendered for filing an initial electric tariff for non-firm outage assistance to serve Centel Corporation (Centel).

Public Service Company proposes an effective date of August 5, 1991.

*Comment date:* September 6, 1991, in accordance with Standard Paragraph E at the end of this notice.

**Standard Paragraphs**

E. Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). All such motions or protests should be filed on or before the comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the

Commission and are available for public inspection.

Linwood A. Watson, Jr.,

*Acting Secretary.*

[FR Doc. 91-20803 Filed 8-29-91; 8:45 am]

BILLING CODE 6717-01-M

[Project No. 9186-000, California]

**Big Bear Area Regional Wastewater  
Agency; Availability of Environmental  
Assessment**

August 26, 1991.

In accordance with the National Environmental Policy Act of 1969 and the Federal Energy Regulatory Commission's (Commission's) regulations, 18 CFR part 380 (Order No. 486, 52 FR 47897), the Office of Hydropower Licensing has reviewed the application for minor license for the proposed Lucerne Valley Project, to be located on an existing treated wastewater effluent pipeline near Lucerne Valley in San Bernardino County, California, and has prepared an Environmental Assessment (EA) for the proposed project. In the EA, the Commission's staff has analyzed the project and has concluded that approval of the proposed project, with appropriate mitigation measures, would not constitute a major federal action significantly affecting the quality of the human environment.

Copies of the EA are available for review in the Public Reference Branch, room 3308, of the Commission's offices at 941 North Capitol Street, NE., Washington, DC 20426.

Linwood A. Watson, Jr.,

*Acting Secretary.*

[FR Doc. 91-20805 Filed 8-29-91; 8:45 am]

BILLING CODE 6717-01-M

[Projects Nos. 9401-000, *et al.*]

**Hydroelectric Applications (The  
Halecrest Co., *et al.*); Applications**

Take notice that the following hydroelectric applications have been filed with the Commission and are available for public inspection:

1 a. *Type of Application:* Amendment to Major License Application.

b. *Project No.:* 9401-000.

c. *Date filed:* April 25, 1991.

d. *Applicant:* The Halecrest Company.  
e. *Name of Project:* Mount Hope Pumped Storage.

f. *Location:* In Rockaway Township, Morris County, New Jersey.

g. *Filed Pursuant to:* Federal Power Act 16 U.S.C. 791 (a)-825(r).

*h. Applicant Contact:* Mr. Paul Rodzianko, 321 Talmadge Road, Edison, NJ 08817, (201) 361-1072.

*i. FERC Contact:* Jim Haimes (202) 219-2780.

*j. Comment Date:* October 6, 1991.

*k. Description of Amendment:* The original proposal would have utilized the existing Mount Hope Lake as the upper reservoir, enlarged from its present size by the construction of a new dam. The amended proposal would utilize an upper reservoir to be excavated west of Mount Hope Lake.

The project, as currently proposed, would consist of: (1) A newly excavated upper reservoir having a 57-acre surface area and a 5,500 acre-foot storage capacity at normal maximum water surface elevation 900 feet above m.s.l.; (2) a new 2,800-foot-long, 25-foot-diameter concrete-lined vertical intake shaft bifurcating into five 11-foot-diameter penstocks; (3) a new 60-foot-wide, 400-foot-long, 120-foot-high underground powerhouse at elevation 2072 below m.s.l. containing 5 pump/turbine units with a total installed generating capacity of 2,000 MW at a new head of 2,500 feet; of 5,500 acre-feet at maximum operating surface elevation 1628 below m.s.l.; (5) two parallel 500-kV, 11.7-mile-long transmission lines to the future Jefferson substation; and (6) appurtenant facilities.

*l. This notice also consists of the following standard paragraphs:* A4, B, C, and D1.

*2 a. Type of Application:* Exemption (5 MW or Less).

*b. Project No.:* 10497-001.

*c. Date filed:* April 30, 1991.

*d. Applicant:* City of Tulsa.

*e. Name of Project:* Lake Eucha Dam.

*f. Location:* On Spavinaw Creek in Delaware County, Oklahoma.

*g. Filed Pursuant to:* Federal Power Act 16 U.S.C. 791 (a)-825(r).

*h. Applicant Contact:* W. B. Smith, 5314 South Yale Avenue, Tulsa, OK 74135, (918) 492-1600.

*i. FERC Contact:* Charles T. Raabe (tag) (202) 219-2811.

*j. Comment Date:* October 5, 1991.

*k. Status of Environmental Analysis:* This application is ready for environmental analysis at this time—see attached paragraph D3.

*l. Description of Project:* The proposed project would consist of: (1) The existing Lake Eucha Dam which has a total length of 2,050 feet and a maximum height of 99 feet, and which is comprised of: (a) A 660-foot-long earthfill embankment section with a crest elevation of 792.0 feet National Geodetic Vertical Datum (NGVD); (b) a 1000-foot-long uncontrolled concrete spillway

section with a crest elevation of 778.0 feet NGVD; and (c) a 390-foot-long concrete nonoverflow section containing a 210-foot-long controlled spillway section with five 36-foot-wide Taintor gates; (2) the existing Lake Eucha reservoir with a surface area of 2,880 acres and a volume of 80,000 acre-feet at normal pool elevation of 778 feet NGVD; (3) existing intake facilities consisting of four penstocks with diameters ranging from 24 inches to 60 inches, and with intake levels ranging from 705 feet to 753.5 feet NGVD located in the 390-foot-long nonoverflow section of the dam; (4) a proposed concrete powerhouse with approximate dimensions of 29 feet by 34 feet containing three proposed submersible Kaplan turbine-generator units rated at 355 kilowatts (kW) each, at a design head of 75 feet and a hydraulic capacity of 68 cubic feet per second each; (5) one existing auxiliary Leffel turbine connected to a 125-kW Westinghouse generator, for a total project installed capacity of 1,190 kW; (6) a small switchyard; (7) a transmission line; and (8) appurtenant facilities.

Applicant estimates that the average annual generation would be 6,000,000 kWh. The dam is owned by the City of Tulsa. The application was filed during the term of Applicant's preliminary permit.

*m. Purpose of Project:* Project energy would be sold to the Grand River Dam Authority, the Public Service Company of Oklahoma, or to Northeast Oklahoma Electric Cooperative.

*n. This notice also consists of the following standard paragraphs:* A3, A9, B1, and D3.

*o. Available Locations of Application:* A copy of the application, as amended and supplemented, is available for inspection and reproduction at the Commission's Public Reference and Files Maintenance Branch, located at 941 North Capitol Street, NE., room 3104, Washington, DC 20426, or by calling (202) 208-1371. A copy is also available for inspection and reproduction at City of Tulsa Public Works Department, 2317 South Jackson Avenue, Tulsa, Oklahoma 74107, (918) 596-9560 and Tulsa City County Library, 200 Civic Center, Tulsa, Oklahoma 74013, (918) 596-7946.

*3 a. Type of Application:* Preliminary Permit.

*b. Project No.:* 11174-000.

*c. Date Filed:* August 2, 1991.

*d. Applicant:* Town of Ely.

*e. Name of Project:* Red Rock.

*f. Location:* On the Des Moines River in Marion County, Iowa.

*g. Filed Pursuant to:* Federal Power Act 16 U.S.C. 791(a)-825(r).

*h. Applicant Contact:* Mr. Thomas J. Wilkinson, Jr., American Building, suite 300, 101 Second Street, SE., Cedar Rapids, IA 52401, (319) 366-4990.

*i. FERC Contact:* Charles T. Raabe (202) 219-2811.

*j. Comment Date:* October 9, 1991.

*k. Competing Application:* Project No. 11140-000.

*Date Filed:* May 3, 1991.

*Due Date:* August 5, 1991.

*l. Description of Project:* The proposed project would utilize the existing U.S. Army Corps of Engineers' Red Rock Dam and would consist of: (1) A new intake structure; (2) two 21-foot-diameter steel penstocks; (3) a powerhouse containing two generating units with a total installed capacity of 30-MW; (4) a tailrace, (5) a 6-mile-long transmission line; and (6) appurtenant facilities.

Applicant estimates that the average annual energy production would be 110,000 MWh and that the cost of the studies to be performed under the terms of the permit would be \$200,000. Project energy would be used by the Town of Ely.

*m. This notice also consists of the following standard paragraphs:* A8, A10, B, C, and D2.

#### Standard Paragraphs

**A3. Development Application—Any** qualified applicant desiring to file a competing application must submit to the Commission, on or before the specified comment date for the particular application, the competing development application or a notice of intent to file such an application. Submitting a timely notice of intent allows an interested person to file the competing development application no later than 120 days after the specified comment date for the particular application. Applications for a preliminary permit will not be accepted in response to this notice.

**A4. Development Application—Public** notice of the filing of the initial development application, which has already been given, established the due date for filing competing applications or notices of intent. In accordance with the Commission's regulations, any competing development application must be filed in response to and in compliance with public notice of the initial development application. No competing applications or notices of intent may be filed in response to this notice.

**A8. Preliminary Permit—Public** notice of the filing of the initial preliminary permit application, which has already been given, established the due date for

filing competing preliminary permit and development applications or notices of intent. Any competing preliminary permit or development application or notice of intent to file a competing preliminary permit or development application must be filed in response to and in compliance with the public notice of the initial preliminary permit application. No competing applications or notices of intent to file competing applications may be filed in response to this notice. A competing license application must conform with 18 CFR 4.30(b) (1) and (9) and 4.38.

**A9. Notice of Intent**—A notice of intent must specify the exact name, business address, and telephone number of the prospective applicant, and must include an unequivocal statement of intent to submit, if such an application may be filed, either a preliminary permit application or a development application (specify which type of application). A notice of intent must be served on the applicant(s) named in this public notice.

**A10. Proposed Scope of Studies under Permit**—A preliminary permit, if issued, does not authorize construction. The term of the proposed preliminary permit would be 36 months. The work proposed under the preliminary permit would include economic analysis, preparation of preliminary engineering plans, and a study of environmental impacts. Based on the results of these studies, the Applicant would decide whether to proceed with the preparation of a development application to construct and operate the project.

**B. Comments, Protests, or Motions to Intervene**—Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of the Rules of Practice and Procedure, 18 CFR 385.210, .211, .214. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

**B1. Protests or Motions to Intervene**—Anyone may submit a protest or a motion to intervene in accordance with the requirements of the Rules of Practice and Procedures, 18 CFR 385.210, .211, .214. In determining the appropriate action to take, the Commission will consider all protests filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the

proceeding. Any protests or motions to intervene must be received on or before the specified comment date for the particular application.

**C. Filing and Service of Responsive Documents**—Any filings must bear in all capital letters the title "Comments", "Notice of Intent to File Competing Application", "Competing Application", "Protest", "Motion to Intervene", as applicable, and the Project Number of the particular application to which the filing refers. Any of the above-named documents must be filed by providing the original and the number of copies provided by the Commission's regulations to: The Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426. An additional copy must be sent to Dean Shumway, Director, Division of Project Review, Federal Energy Regulatory Commission, room 1027 (810 1st), at the above-mentioned address. A copy of any notice must also be served upon each representative of the Applicant specified in the particular application.

**D1. Agency Comments**—States, agencies established pursuant to federal law that have the authority to prepare a comprehensive plan for improving, developing, and conserving a waterway affected by the project, federal and state agencies exercising administration over fish and wildlife, flood control, navigation, irrigation, recreation, cultural or other relevant resources of the state in which the project is located, and affected Indian tribes are requested to provide comments and recommendations for terms and conditions pursuant to the Federal Power Act as amended by the Electric Consumers Protection Act of 1986, the Fish and Wildlife Coordination Act, the Endangered Species Act, the National Historic Preservation Act, the Historical and Archeological Preservation Act, the National Environmental Policy Act, Public Law No. 88-29, and other applicable statutes. Recommended terms and conditions must be based on supporting technical data filed with the Commission along with the recommendations, in order to comply with the requirement in section 313(b) of the Federal Power Act, 16 U.S.C. 8251(b), that Commission findings as to facts must be supported by substantial evidence.

All other federal, state, and local agencies that receive this notice through direct mailing from the Commission are requested to provide comments pursuant to the statutes listed above. No other formal requests will be made. Responses should be confined to substantive issues relevant to the issuance of a license. A

copy of the application may be obtained directly from the applicant. If an agency does not respond to the Commission within the time set for filing, it will be presumed to have no comments. One copy of an agency's response must also be sent to the Applicant's representatives.

**D2. Agency Comments**—Federal, state, and local agencies are invited to file comments on the described application. A copy of the application may be obtained by agencies directly from the Applicant. If an agency does not file comments within the time specified for filing comments, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

**D3. Filing and Service of Responsive Documents**—The application is ready for environmental analysis at this time, and the Commission is requesting comments, reply comments, recommendations, terms and conditions, and prescriptions.

The Commission directs, pursuant to § 4.34(b) of the regulations (see Order No. 533 issued May 8, 1991, 56 FR 23108 (May 20, 1991)), that all comments, recommendations, terms and conditions and prescriptions concerning the application be filed with the Commission within 60 days from the date of this notice. All reply comments must be filed with the Commission within 105 days from the date of this notice.

Anyone may obtain an extension of the time for these deadlines from the commission only upon a showing of good cause or extraordinary circumstances in accordance with 18 CFR 385.2008.

All filings must: (1) Bear in all capital letters the title "Protest," "Motion to Intervene," "Notice of Intent to File Competing Application," "Competing Application," "Comments," "Reply Comments," "Recommendations," "Terms and Conditions," or "Prescriptions;" (2) set forth in the heading the name of the applicant and the project number of the application to which the filing responds; (3) furnish the name, address, and telephone number of the person protesting or intervening; and (4) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. All comments, recommendations, terms and conditions or prescriptions must set forth their evidentiary basis and otherwise comply with the requirements of 18 CFR 4.34(b). Any of these documents must be filed by providing the original and the number of copies required by the Commission's

regulations to: Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426. An additional copy must be sent to: Director, Division of Project Review, Office of Hydropower Licensing, Federal Energy Regulatory Commission, room 1027, at the above address. A copy of any protest or motion to intervene must be served upon each representative of the applicant specified in the particular application. A copy of all other filings in reference to this application must be accompanied by proof of service on all persons listed in service list prepared by the Commission in this proceeding, in accordance with 18 CFR 4.34(b), 385.2010.

Dated: August 26, 1991, Washington, DC.  
Lois D. Cashell,  
Secretary.

[FR Doc. 91-20802 Filed 8-29-91; 8:45 am]  
BILLING CODE 6717-01-M

[Docket Nos. CP91-2659-000, et al.]

#### Florida Gas Transmission Co., et al.; Natural gas certificate filings

Take notice that the following filings have been made with the Commission:

##### 1. Florida Gas Transmission Co.

[Docket No. CP91-2659-000]  
August 22, 1991.

Take notice that on August 5, 1991, Florida Gas Transmission Company (FGT), P.O. Box 1188, Houston, Texas 77251-1188, filed in Docket No. CP91-2659-000, a request pursuant to § 157.205 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205) for authorization to upgrade an existing meter station currently serving the City of Vero Beach (Vero Beach) as a delivery point under two existing direct sales service agreements, under the authorization issued in Docket No. CP82-553-000 pursuant to section 7 of the Natural Gas Act, all as more fully set forth in the request which is on file with the Commission and open to public inspection.

FGT states that Vero Beach is a direct sales customer and has requested that FGT upgrade the existing meter station located at the Vero Beach Municipal Power Plant, Indian River County, Florida (referred to as the Vero Beach Meter Station). It is stated that the Vero Beach Meter Station is used to measure gas deliveries by FGT to Vero Beach under two existing direct sales service agreements.

It is stated that the upgrade shall include supplementing the existing 8-inch orifice meter and the existing 12-inch turbine meter with an additional 6-inch orifice meter, including all appurtenant facilities. FGT states that the existing facilities measure gas at 125 psig, and the purpose of the upgrade is to accommodate the measurement of gas at 290 psig. It is stated that the proposed upgrade will not increase the contractual gas deliveries under the existing direct sales agreements, nor will it increase Vero Beach's authorized and pending authorized levels of service during the in-service of FGT's Phase I facilities or after FGT's Phase II expansion facilities are placed in service.

FGT states that Vero Beach will reimburse it for all costs directly and indirectly incurred by FGT for the upgrade of the meter station. It is estimated that the total cost of the upgrade will be \$145,500, inclusive of tax gross-up.

FGT further states that it has sufficient capacity to deliver the proposed daily and annual volumes without detriment or disadvantage to other FGT customers and will not impact FGT's peak day or annual deliveries.

*Comment date:* October 7, 1991, in accordance with Standard Paragraph G at the end of this notice.

##### 2. United Gas Pipe Line Co.

[Docket No. CP91-2812-000]  
August 22, 1991.

Take notice that on August 19, 1991, United Gas Pipe Line Company (United), Post Office Box 1478, Houston, Texas 77251-1478, filed in Docket No. CP91-2812-000 a request pursuant to §§ 157.205 and 157.212 of the Commission's Regulations for authorization to construct and operate 150 feet of six-inch pipeline, one six-inch sales tap, and related facilities needed for the sale of natural gas to Agrico Chemical Company (Agrico) under United's blanket certificate issued in Docket No. CP82-430-000 pursuant to section 7 of the Natural Gas Act (NGA), all as more fully set forth in the request which is on file with the Commission and open to public inspection.

United indicates that the proposed facilities would be located in St. James Parish, Louisiana. United states that it plans to sell and deliver an average of 7,500 Mcf of natural gas per day at the proposed sales tap. It is stated that Agrico would use the natural gas in its Uncle Sam Chemical Plant in St. James Parish, Louisiana.

United indicates that it plans to file a NGA section 7(c) application requesting the authorization to make a direct sale to Agrico. It is further stated that United plans to install the proposed facilities as soon as authorization is received so that the facilities would be in place and ready for use when the section 7(c) application is approved. United estimates that the proposed facilities would cost \$86,800. It is stated that Agrico would reimburse United for all costs resulting from the proposed sales tap installation.

United states that if it does not receive section 7(c) authorization to make the direct sale to Agrico, United would use firm transportation service pursuant to § 284.223 of the Regulations to supply Agrico with its gas requirements until section 7(c) authorization is received. It is indicated that the firm transportation service would be provided pursuant to United's Rate Schedule FTS and United's blanket certificate in Docket No. CP88-6-000.

*Comment date:* October 7, 1991, in accordance with Standard Paragraph G at the end of this notice.

##### 3. Trunkline Gas Co.

[Docket Nos. CP91-2822-000, CP91-2823-000]  
August 22, 1991.

Take notice that on August 20, 1991, Trunkline Gas Company (Trunkline), P.O. Box 1642, Houston, Texas 77251-1642, filed the above-referenced dockets prior notice requests pursuant to §§ 157.205 and 284.223 of the Commission's Regulations under the Natural Gas Act for authorization to transport natural gas on behalf of shippers under its blanket certificate issued in Docket No. CP86-586-000, pursuant to section 7 of the Natural Gas Act, all as more fully set forth in the requests that are on file with the Commission and open to public inspection.<sup>1</sup>

Information applicable to each transaction, including the identify of the shipper, the type of transportation service, the appropriate transportation rate schedule, the peak day, average day and annual volumes, and the initiation service dates and related ST docket numbers of the 120-day transactions under § 284.223 of the Commission's Regulations, has been provided by Trunkline and is summarized in the attached appendix.

*Comment date:* October 7, 1991, in accordance with Standard Paragraph G at the end of this notice.

<sup>1</sup> These prior notice requests are not consolidated.

Docket No. (date filed)	Shipper name (type)	Peak day, average day, annual Mcf	Receipt points	Delivery points	Contract date, rate schedule, service type	Related docket, start up date
CP91-2822-000 (8-20-91)	V.H.C. Gas Systems, Inc. (Shipper).	200,000 200,000 73,000,000	Various.....	LA.....	10-19-89, PT, Interruptible.	ST91-9649-000, 6-28-91.
CP91-2823-000 (8-20-91)	Phillips Petroleum Company (Shipper).	15,000 15,000 5,475,000	Various.....	LA.....	12-26-89, PT, Interruptible.	ST91-9662-000, 6-28-91.

#### 4. Columbia Gas Transmission Corp., El Paso Natural Gas Co.

[Docket Nos. CP91-2808-000, CP91-2810-000]  
August 22, 1991.

Take notice that Columbia Gas Transmission Corporation, 1700 MacCorkle Avenue, SE., Charleston, West Virginia 25314, and El Paso Natural Gas Company, P.O. Box 1492, El Paso, Texas 79978, (Applicants) filed in the above-referenced dockets prior notice requests pursuant to §§ 157.205 and 284.223 of the Commission's

Regulations under the Natural Gas Act for authorization to transport natural gas on behalf of shippers under the blanket certificates issued in Docket No. CP86-240-000 and Docket No. CP88-433-000, respectively, pursuant to section 7 of the Natural Gas Act, all as more fully set forth in the requests that are on file with the Commission and open to public inspection.<sup>2</sup>

Information applicable to each

<sup>2</sup> These prior notice requests are not consolidated.

transaction, including the identity of the shipper, the type of transportation service, the appropriate transportation rate schedule, the peak day, average day and annual volumes, and the initiation service dates and related ST docket numbers of the 120-day transactions under § 284.223 of the Commission's Regulations, has been provided by Applicants and is summarized in the attached appendix.

*Comment date:* October 7, 1991, in accordance with Standard Paragraph G at the end of this notice.

Docket No. (date filed)	Shipper name (type)	Peak day, average day, annual MMBtu	Receipt points	Delivery points	Contract date, rate schedule, service type	Related docket, start up date
CP91-2808-000 (8-16-91)	Volunteer Energy Corporation (Shipper).	10,000 8,000 3,650,000	KY, MD, NY, OH, PA, VA, WV.	KY, MD, NY, OH, PA, VA, WV.	5-22-91, ITS, Interruptible.	ST91-9398-000, 6-10-91.
CP91-2810-000 (8-19-91)	Arizona Electric Power Cooperative (End-user).	61,800 61,800 22,557,000	All on-system.....	AZ.....	7-31-91, T-1, Interruptible.	ST91-9980-000, 8-1-91.

#### 5. El Paso Natural Gas Co.

[Docket No. CP91-2821-000]

August 22, 1991.

Take notice that on August 20, 1991, El Paso Natural Gas Company (El Paso), Post Office Box 1492, Houston, Texas 79978, filed in Docket No. CP91-2821-000 a request pursuant to §§ 157.205, 157.212, and 284.223 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205, 157.212, and 284.223) for authorization to implement an interruptible transportation service for Gulf Gas Utilities Company (Gulf Gas), and to construct and operate a delivery point to implement the transportation service, under the blanket certificates issued in CP86-433-000 and CP82-435-000, respectively, pursuant to section 7(c) of the Natural Gas Act, all as more fully set forth in the request which is on file with the Commission and open to public inspection.

El Paso states that Gulf Gas seeks to deliver fuel gas to Mid American Pipeline Company at its compressor station located adjacent to El Paso's existing facilities in Lea County, New

Mexico. It is indicated that to facilitate Gulf Gas' request, El Paso proposes to implement a May 10, 1991, transportation service agreement with Gulf Gas providing for a maximum transportation volume of 1,000 Mcf per day. It is indicated that El Paso would receive the gas at specified points located in Yoakum County, Texas and Lea County, New Mexico and redeliver the gas at a proposed Lea County, New Mexico delivery point. El Paso estimates peak day, average day and annual volumes of 1,030 million Btu, 1,030 million Btu, and 375,950 million Btu, respectively. El Paso proposes to charge rates and abide by the terms and conditions of its Rate Schedule T-1.

El Paso states that to implement the service it proposes to construct and operate a metering and regulation station at the delivery point at an estimated cost of \$39,025, which would be reimbursed by Gulf Gas.

*Comment date:* October 7, 1991, in accordance with Standard Paragraph G at the end of this notice.

#### 6. ANR Pipeline Co.

[Docket No. CP91-2805-000]

August 22, 1991.

Take notice that on August 16, 1991, ANR Pipeline Company (ANR), 500 Renaissance Center, Detroit, Michigan 48243, filed in Docket No. CP91-2805-000 an application pursuant to section 7(b) of the Natural Gas Act for permission and approval to abandon a natural gas exchange service with Northern Natural Gas Company (Northern), all as more fully set forth in the amendment which is of file with the Commission and open to public inspection.

It is alleged that pursuant to a Letter Agreement dated June 16, 1981,<sup>3</sup> ANR and Northern were authorized to interconnect their respective pipeline system in Kiowa County, Kansas. It is further alleged that the interconnection facilitated ANR's ability to redeliver gas supplies originating in West Cameron Area Block 205, 206, 238, and 249, offshore Louisiana to Northern. Further, it is averred that the interconnection provided an exchange point in the event

<sup>3</sup> As authorized in Docket No. CP81-410-000, by order issued October 6, 1981, 17 FERC ¶ 61,003.



of an emergency situation arising on either ANR or Northern pipeline systems. This service was designated as Rate Schedule X-125 under Original Volume No. 2 of ANR's FERC Gas Tariff.

ANR contends that the service under Rate Schedule X-125 was to extend until terminated by either party upon thirty days' written notice to the other. The application claims that Northern has advised ANR that it wishes to terminate the exchange service effective June 1, 1991. The application further claims that Northern filed on June 18, 1991, for authorization to abandon this service, among others in Docket No. CP91-2300-000. In addition, ANR requests the Commission issue an order approving the abandonment of the exchange service designated as Rate Schedule X-125, effective June 1, 1991. It is alleged that no facilities are proposed to be abandoned herein.

*Comment date:* September 12, 1991, in accordance with Standard Paragraph F at the end of this notice.

#### 7. Southern Natural Gas Co.

[Docket No. CP91-2767-000]

August 22, 1991.

Take notice that on August 12, 1991, Southern Natural Gas Company (Southern), P.O. Box 2653, Birmingham, Alabama 35202-2563, filed in Docket No. CP91-2767-000 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of a compressor in Jefferson County, Alabama and a compressor in Jefferson County, Georgia; the modification of two existing compressors in Upson County, Georgia; the construction and operation of a measurement station in Bleckley County, Georgia; a redistribution of contract demand for an existing customer; a reassignment of contract demand for three existing customers and; an increase in contract delivery pressure for an existing customer, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Southern proposes to: (1) Construct and operate a 2,587 brake horsepower (bhp) reciprocating compressor at Southern's existing Tarrant Compressor Station (Tarrant) located on the North Maine Line in Jefferson County, Alabama and a 2,700 bhp reciprocating compressor at Southern's Wrens Compressor Station (Wrens) located on the South Main Line in Jefferson County, Georgia; (2) modify two existing compressor at Southern's Thomaston Compressor Station (Thomaston) located on the South Main Line in Upson

County, Georgia; (3) construct and operate a measurement station on Southern's 12-inch Brunswick Line located in Bleckley, Georgia as a new delivery point (Jointly Owned Board No. 2) for the communities of Cochran, Hawkinsville and Perry, Georgia; (4) increase Atlanta Gas Light Company's contract demand at its Atlanta area delivery point by 21,000 Mcf per day and at its Brunswick delivery point by 9,000 Mcf per day with a corresponding decrease at its Macon area delivery point of 30,000 Mcf per day; (5) reassign 4,165 Mcf of contract demand for Cochran, Hawkinsville, and Perry on a pro rata basis to Jointly Owned Board No. 2 and; (6) increase the contract delivery pressure from 100 psig to 200 psig for the Dekalb-Cherokee Counties Gas District (Dekalb-Cherokee) located on Southern's 6-inch Hokes Bluff Line in Etowah County, Alabama.

Southern states that the proposed facilities would enhance the operational ability of its natural gas system and is an integral part of Southern's Supply Reservation Fee Program (Surf) filed on July 30, 1991, in Docket No. CP89-1721 (Stipulation). Further, Southern states that the construction and modification of the proposed facilities would enable Southern to implement various changes in service contemplated in the Surf program as provided in the Stipulation. Southern indicates that the Stipulation results from extensive negotiations and represent a compromise acceptable to the parties and that the facility and service enhancements requested in this application are an integral part of the compromise established in the Stipulation. Therefore, Southern requests that the authorizations requested herein be granted concurrently with the authorizations requested in the Stipulation.

Southern states that the 2,587 bhp compressor would increase the total brake horsepower to 14,637 bhp at Tarrant and the 2,700 bhp compressor would increase the total brake horsepower to 4,820 bhp at Wrens. Further, Southern indicates that the modifications to the two compressors at Thomaston would increase their efficiency but would not increase the horsepower above the rated horsepower of 4,000 bhp. Southern states that a change in contract delivery pressure for Dekalb-Cherokee is permitted under its Ferc Gas Tariff and that the total contract demand to be delivered to Atlanta, Cochran, Hawkinsville, Perry and Dekalb-Cherokee would not change as a result of the reallocation of contract demand, installation of the proposed delivery point, and the increase in contract delivery pressure.

The estimated cost of construction is \$11,382,550. The cost would be financed by short term loans and cash from current operations.

*Comment date:* September 12, 1991, in accordance with Standard Paragraph F at the end of the notice.

#### 8. K N Energy, Inc.

[Docket No. CP91-2804-000]

August 22, 1991.

Take notice that on August 16, 1991, K N Energy, Inc. (K N), P.O. Box 281304, Lakewood, Colorado 80228-9304, filed in Docket No. CP91-2804-000 a request pursuant to § 157.205(b) of the Commission's Regulations under the Natural Gas Act for authorization to construct and operate sales taps for the delivery of gas to end-users, under the blanket certificate issued in Docket Nos. CP83-140-000, CP83-140-001, and CP83-140-002 pursuant to section 7 of the Natural Gas Act, all as more fully set forth in the request which is on file with the Commission and open for public inspection.

K N proposes to construct and operate sales taps to various end users located along its jurisdictional pipelines. K N indicates that the estimated cost of the taps would range from \$850 to \$5,000. K N states that the proposed sales taps are not prohibited by any of its existing tariffs and that the additional taps will have no significant impact on K N's peak day and annual deliveries.

*Comment date:* October 7, 1991, in accordance with Standard Paragraph C at the end of this notice.

#### 9. Colorado Interstate Gas Co. Tennessee Gas Pipeline Co.

[Docket Nos. CP91-2834-000, CP91-2835-000, CP91-2836-000]

August 22, 1991.

Take notice that on August 21, 1991, Colorado Interstate Gas Company, P.O. Box 1087, Colorado Springs, Colorado 80944, and Tennessee Gas Pipeline Company, P.O. Box 2511, Houston, Texas 77252, (Applicants) filed in the above-referenced dockets prior notice requests pursuant to § 157.204 and 284.223 of the Commission's Regulations under the Natural Gas Act for authorization to transport natural gas on behalf of shippers under the blanket certificates issued in Docket No. CP86-589, *et al.*, and Docket No. CP87-115-000, respectively, pursuant to section 7 of the Natural Gas Act, all as more fully set forth in the requests that are on file with the Commission and open for public inspection.<sup>4</sup>

<sup>4</sup> These prior notice requests are not consolidated.



Information applicable to each transaction, including the identity of the shipper, the type of transportation service, the appropriate transportation rate schedule, the peak day, average day

and annual volumes, and the initiation service dates and related ST docket numbers of the 120-day transactions under § 284.223 of the Commission's Regulations, has been provided by

Applicants and is summarized in the attached appendix.

*Comment date:* October 7, 1991, in accordance with Standard Paragraph G at the end of this notice.

Docket No. (date filed)	Shipper name (type)	Peak day average day, annual Dth	Receipt points	Delivery points	Contract date, rate schedule, service type	Related docket, start up date
CP91-2834-000 (8-21-91)	Aquila Energy Marketing Corporation (Marketer).	14,009 14,009 1 <sup>1</sup> 5,113,000	KS, WY .....	WY .....	5-5-91, TF-1, Firm..	ST91-8880-000, 5-5-91.
CP91-2835-000 (8-21-91)	The Proctor & Gamble Paper Products Company (End-user).	30,000 30,000 10,950,000	Various.....	Various.....	3 5-25-87, IT, Interruptible.	ST91-9799-000, 7-15-91.
CP91-2836-000 (8-21-91)	Aquila Energy Marketing Corporation (Marketer).	250,000 250,000 91,250,000	Various.....	Various.....	3 11-19-87, IT, Interruptible.	ST91-9521-000, 7-1-91.

<sup>1</sup> CIG's quantities are in Mcf.

<sup>2</sup> Includes 20,000 dekatherms per day authorized in converted Docket No. ST91-3595.

<sup>3</sup> As amended.

<sup>4</sup> Includes 100,000 dekatherms per day authorized in converted Docket Nos. ST91-5063 and ST91-5537.

#### 10. CNG Transmission Corp.

[Docket No. CP91-2842-000]

August 23, 1991.

Take notice that on August 21, 1991, CNG Transmission Corporation (CNG), 445 West Main Street, Clarksburg, West Virginia 26302-2450, filed in Docket No. CP91-2842-000 a request pursuant to § 157.205 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205) for authorization to provide an interruptible transportation service for various shippers, under the blanket certificate issued in Docket No. CP88-311-000 pursuant to section 7 of the Natural Gas Act, all as more fully set forth in the request that is on file with the Commission and open to public inspection.

CNG states that, pursuant to an agreement dated May 20, 1991, under its Rate Schedule TI, it proposes to transport up to various DT per day equivalent of natural gas. CNG further indicates that the gas would be transported from multiple receipt points and would be redelivered at various delivery points.

CNG advises that service under § 284.223(a) commenced on multiple respective dates, as reported in Docket Nos. ST91-9783-90.

*Comment date:* October 7, 1991, in accordance with Standard Paragraph G at the end of this notice.

#### 11. Texas Eastern Transmission Corp.

[Docket No. CP91-2814-000]

August 23, 1991.

Take notice that on August 19, 1991, Texas Eastern Transmission Corporation (Texas Eastern) 5400 Westheimer Court, Houston, Texas 77056-5310, filed in Docket No. CP91-2814-000, a request pursuant to

§§ 157.205, 157.212 and 157.216 of the Commission's Regulations under the Natural Gas Act, to increase deliveries at an existing delivery point and to abandon certain facilities, all as more fully set forth in the request on file with the Commission and open to public inspection.

Texas Eastern proposes to increase deliveries at the M&R No. 033 delivery point where Texas Eastern's facilities interconnects with the facilities owned by PEPCO, in Chester County, PA. Texas Eastern states that deliveries at the M&R will increase to 28,152 dth for Rate Schedule CD-1 and 60,000 dth for Rate Schedule CD-2. Texas states further that there will be no change in MDO at the other existing delivery points. The natural gas quantities delivered to PEPCO would be used as gas deliveries to an electric generating station, it is noted.

Texas Eastern also indicates that the additional delivery to the existing M&R No. 033 will have no effect on Texas Eastern's peak day or annual deliveries, due to the fact that deliveries may be reduced at the other points of delivery to PEPCO on a day-to-day operational basis.

*Comment date:* October 7, 1991, in accordance with Standard Paragraph G at the end of this notice.

#### 12. Transcontinental Gas Pipe Line Corp.

[Docket No. CP91-2819-000]

August 23, 1991.

Take notice that on August 19, 1991, Transcontinental Gas Pipe Line Corporation (Transco), P.O. Box 1396, Houston, Texas 77251 filed in Docket No. CP91-2819-000 an application pursuant to section 7(b) of the Natural Gas Act for an order permitting and approving abandonment of a firm

transportation service for Sun Refining and Marketing Company (Sun), all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Transco states that the term of the service agreement with Sun, currently on file as Rate Schedule X-11, has expired. Transco seeks authorization to abandon Transco's Rate Schedule X-11. Transco indicates that it would be willing to provide replacement firm transportation service to Sun, to the extent requested by Sun, under Transco's Rate Schedule FT at the same level of service as under Rate Schedule X-11 and to permit Sun to maintain its existing queue position to receive the replacement service. No abandonment of facilities is proposed.

Transco also states that on June 19, 1991, the Commission issued an order approving settlements, as modified, and issuing certificates in Docket No. CP88-391, *et al.*, which, *inter alia*, authorized the abandonment of transportation service which Transco provides to Sun under Rate Schedule X-11. It is indicated that on July 2, 1991, Sun filed a request for expedited rehearing or stay of the June 19, 1991, order. It is also indicated that on July 26, 1991, the Commission granted a stay of the implementation of Rate Schedule X-11 abandonment authorization pending Commission action on Sun's rehearing request. Transco requests that the instant abandonment application be acted upon only in the event that the Commission does not affirm on rehearing the abandonment authorization of Rate Schedule X-11 granted in the settlement order.

*Comment date:* September 13, 1991, in accordance with Standard Paragraph F at the end of this notice.

**13. Florida Gas Transmission Co.; Columbia Gas Transmission Corp.; Northern Natural Gas Co.; Northern Natural Gas Co.; Florida Gas Transmission Corp.; Trunkline Gas Co.; Trunkline Gas Co.**

[Docket Nos. CP91-2815-000, CP91-2516-000,<sup>5</sup> CP91-2817-000, CP91-2818-000, CP91-2820-000, CP91-2824-000, CP91-2825-000]

August 23, 1991.

Take notice that on August 19 and 20,

<sup>5</sup> These prior notice requests are not consolidated.

1991, Applicants filed in the above referenced dockets, prior notice requests pursuant to §§ 157.205 and 284.223 of the Commission's Regulations under the Natural Gas Act for authorization to transport natural gas on behalf of various shippers under their blanket certificates issued pursuant to section 7 of the Natural Gas Act, all as more fully set forth in the prior notice requests which are on file with the Commission and open to public inspection and in the attached appendix.

Information applicable to each transaction, including the identity of the shipper, the type of transportation service, the appropriation transportation rate schedule, the peak day, average day

and annual volumes, and the docket numbers and initiation dates of the 120-day transactions under § 284.223 of the Commission's Regulations has been provided by the Applicants and is included in the attached appendix.

Applicants state that each of the proposed services would be provided under an executed transportation agreement, and that the Applicants would charge rates and abide by the terms and conditions of the referenced transportation rate schedule(s).

*Comment date:* October 7, 1991, in accordance with Standard Paragraph G at the end of this notice.

Docket No. (date filed)	Applicant	Shipper name	Peak day <sup>1</sup> avg. annual	Points of <sup>2</sup>		Start up date, rate schedule	Related dockets <sup>3</sup>
				Receipt	Delivery		
CP91-2815-000 (8-19-91)	Florida Gas Transmission Company, P.O. Box 1188, Houston, TX 77251-1188.	Citrus World, Inc.	1,480 1,110 540,000	AL, FL, LA, MS, TX, OLA, OTX.	FL.....	7-16-91, PTS-1.....	CP89-555-000, ST91-9946-000.
CP91-2816-000 (8-19-91)	Columbia Gas Transmission Corporation, P.O. Box 1273, Charleston, WV 25325-1273.	Atlas Gas Marketing, Inc.	67 54 24,455	WV.....	PA.....	6-11-91, ITS.....	CP86-240-000, ST91-9459-000.
CP91-2817-000 (8-19-91)	Northern Natural Gas Company, P.O. Box 11188, Houston, TX 77251-1188.	Aztec Gas and Oil Corp.	3,000 2,500 1,095,000	ND, WY.....	WY.....	7-1-91, IT-1.....	CP86-435-000, ST91-9949-000.

<sup>1</sup> Quantities are shown in MMBtu unless otherwise indicated.

<sup>2</sup> Offshore Louisiana and Offshore Texas are shown as OLA and OTX.

<sup>3</sup> The CP docket corresponds to applicant's blanket transportation certificate. If an ST docket is shown, 120-day transportation service was reported in it.

Docket No. (date filed)	Applicant	Shipper name	Peak day <sup>1</sup> avg. annual	Points of <sup>2</sup>		Start up date, rate schedule	Related dockets <sup>3</sup>
				Receipt	Delivery		
CP91-2818-000 (8-19-91)	Northern Natural Gas Company.	NGC Transportation, Inc.	8,724 5,680 679,234	Unknown.....	IA.....	7-1-91, FDD-1.....	CP86-435-000, ST91-9911-000.
CP91-2820-000 (8-19-91)	Florida Gas Transmission Company.	Union Exploration Partners, Ltd.	60,000 45,000 21,900,000	AL, FL, LA, MS, TX, OLA, OTX.	LA, TX.....	12-13-90, ITS-1.....	CP89-555-000, ST91-9925-000.
CP91-2824-000 (8-20-91)	Trunkline Gas Company, P.O. Box 1642, Houston, TX 77251-1642.	Phillips Petroleum Company.	15,000Mcf 15,000Mcf 5,475,000Mcf	IL, LA, TN, TX, OLA, OTX.	LA.....	6-28-91, PT.....	CP86-586-000, ST91-9656-000.
CP91-2825-000 (8-20-91)	Trunkline Gas Company.	Phillips Petroleum Company.	15,000Mcf 15,000Mcf 5,475,000Mcf	IL, LA, TN, TX, OLA, OTX.	LA.....	6-28-91, PT.....	CP86-586-000, ST91-9664-000.

**Standard Paragraphs**

F. Any person desiring to be heard or make any protest with reference to said filing should on or before the comment date file with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, a motion to intervene or a protest

in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will

not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to jurisdiction conferred upon the Federal Energy Regulatory Commission by sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission or its designee on this filing if no motion to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a motion for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for the applicant to appear or be represented at the hearing.

G. Any person or the Commission's staff may, within 45 days after the issuance of the instant notice by the Commission, file pursuant to rule 214 of the Commission's Procedural Rules (18 CFR 385.214) a motion to intervene or notice of intervention and pursuant to § 157.205 of the Regulations under the Natural Gas Act (18 CFR 157.205) a protest to the request. If no protest is filed within the time allowed therefore, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request shall be treated as an application for authorization pursuant to section 7 of the Natural Gas Act.

Linwood A. Watson, Jr.,  
*Acting Secretary.*

[FR Doc. 91-20804 Filed 8-29-91; 8:45 am]  
BILLING CODE 6717-01-M

[Docket No. RP91-49-000]

**Arkla Energy Resources a Division of Arkla, Inc., Conference to Discuss Settlement**

August 26, 1991.

Pursuant to the Commission's notice issued on August 9, 1991, an informal conference was held on August 20, 1991, to explore the possibility of settlement of the issues raised in the above-captioned proceeding. At the conference, the parties agreed to hold another conference. Accordingly, a conference has been scheduled for Monday, September 9, 1991, at 2 p.m. in room 2402-A at the Federal Energy Regulatory Commission, 825 North

Capitol Street, NE., Washington, DC 20426. All parties should come prepared to discuss settlement, and the parties should be represented by principals who have the authority to commit to a settlement.

All interested persons and Staff are permitted to attend.

Linwood A. Watson, Jr.,

*Acting Secretary.*

[FR Doc. 91-20807 Filed 8-29-91; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. EL91-49-000]

**Citizens for Clean Air and Reclaiming Our Environment versus Newbay Corp.; Reinstating Comment Period**

August 23, 1991.

Take notice that the original period for filing answers, comments and interventions in this proceeding is reinstated. Such filings shall be due on or before September 16, 1991 as set by the notice published at 56 FR 40891 on August 16, 1991.

Lois D. Cashell,  
*Secretary.*

[FR Doc. 91-20806 Filed 8-29-91; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. CP88-433-002 and CP88-433-002]

[Docket Nos. RP89-48-011, RP89-48-013, CP89-1126-001, RP89-222-005, RP89-254-004, CP88-133-002, and CP89-886-002]

[Docket Nos. TA91-86-000, CP91-2466-000]

**El Paso Natural Gas Co. Transwestern Pipeline Co. Pacific Gas Transmission Corp. Technical Conference**

August 23, 1991.

Take notice that on September 17, 1991, at 10 a.m., the Commission will convene a technical conference in the above captioned proceedings to examine Southern California Gas Company's (SoCal) Targeted Sales Program and Pacific Gas and Electric Company's (PG&E) Customer-Identified Gas Program in light of the Commission's concerns discussed in its orders establishing this technical conference. See El Paso Natural Gas Company, Order Vacating Prior Order, Rejecting Compliance Filings, Dismissing Rehearing and Establishing Technical Conference, Docket No. CP88-433-002, *et al.*, issued August 14, 1991, 56 FERC ¶ 61,289; Transwestern Pipeline Company, Order Vacating Certificates, Rejecting Compliance Filing, Denying Rehearing in Part and Dismissing Rehearing in Park and Establishing Technical Conference, Docket No. RP89-

48-011, *et al.*, issued August 14, 1991, 56 FERC ¶ 61,288; Pacific Gas Transmission Company, Order Accepting and Suspending Tariff Sheet Subject to Refund and Conditions and Establishing Technical Conference, issued July 31, 1991, 56 FERC ¶ 61,171.

The conference will be held at the offices of the Federal Energy Regulatory Commission, Hearing Room No. 1, 810 First Street, NE., Washington, DC 20426.

All parties to these proceeding, the Commission staff, and interested members of the public are invited to attend. However, mere attendance at the conference will not confer party status. Any person wishing to become a party to this proceeding must file a motion to intervene in accordance with rule 214 of the Commission's rules of practice and procedure.<sup>1</sup>

Linwood A. Watson, Jr.,  
*Acting Secretary.*

[FR Doc. 91-20801 Filed 8-29-91; 8:45 am]

BILLING CODE 6717-01-M

[Project No. 10533-000, -001]

**Franklin Hydro, Inc.; Denying Late Intervention and Dismissing Request for Rehearing**

August 26, 1991.

On January 25, 1988, Franklin Hydro, Inc., filed a preliminary permit application for the proposed 8.6-megawatt Franklin Falls Hydroelectric Project No. 10533. Public notice of the application was issued on March 2, 1988, setting May 5, 1988, as the deadline for comments, protests, motions to intervene, and competing applications or notices of intent to file competing applications.<sup>1</sup> On May 4, 1988, Manter Corporation filed a timely notice of intent to file a competing license application, and on September 2, 1988, timely filed its competing license application, which was docketed Project No. 10655.

By letter dated October 28, 1988, the Director of the Office of Hydropower Licensing (Director) rejected Manter's application as patently deficient. Manter filed an appeal of the Director's action and, on November 28, 1988, filed a motion for late intervention in Franklin's permit proceeding.

In acting on a later motion to intervene, the Commission may consider whether the movant had good cause for

<sup>1</sup> 18 CFR 385.214.

<sup>1</sup> Pursuant to § 4.36(a)(3) of the regulations, 18 CFR 4.36(a)(3), any development application filed pursuant to a notice of intent must be submitted not later than 120 days after the prescribe intervention deadline.

failing to file the motion within the time prescribed. See rule 214(d) of the Commission's Rules of Practice and Procedure, 18 CFR 385.214(b). Manter states that it did not timely intervene because it believed that, as a competing license applicant, it automatically had party status in Franklin's permit proceeding. Manter also contends that late intervention in the permit proceeding is necessary so that Manter can protect its interest and investment in developing its proposed Project No. 10655.

Competing license applicants are not automatically parties to their competitors' proceedings and, to become parties, must file motions to intervene.<sup>2</sup> Manter's ignorance of the Commission's procedural requirements does not constitute good cause for filing its motion to intervene almost seven months after the deadline established in the notice of Franklin's permit application. Furthermore, Manter's arguments with respect to protection of its investment in this license application are moot, since the Commission subsequently upheld the Director's rejection of Manter's license application.<sup>3</sup> We therefore deny Manter's motion to intervene late in the Project No. 10533 proceeding.

On August 2, 1990, the Director issued a preliminary permit to Franklin for Project No. 10533.<sup>4</sup> On September 4, 1990, Manter filed a timely request for rehearing<sup>5</sup> of the permit issuance. Since only parties to a proceeding may request rehearing of final action in that proceeding,<sup>6</sup> we are also dismissing Manter's request for rehearing filed in the Project No. 10533 proceeding.<sup>7</sup>

Linwood A. Watson, Jr.,  
Acting Secretary.

[FR Doc. 91-20808 Filed 8-29-91; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. TM91-11-4-000]

**Granite State Gas Transmission, Inc.;  
Proposed Changes in Rates**

August 26, 1991.

Take notice that on August 22, 1991, Granite State Gas Transmission, Inc. (Granite State) 300 Friberg Parkway, Westborough, Massachusetts 01581 tendered for filing the revised tariff sheets listed below in its FERC Gas Tariff, Second Revised Volume No. 1, for effectiveness on July 1, 1991:

Fifth Revised Sheet No. 25  
First Revised Sheet No. 66

According to Granite State, it provides storage services for Bay State Gas Company and Northern Utilities, Inc., under its Rate Schedule S-1 with storage capacity provided in a facility operated by Penn-York Energy Corporation (Penn-York) pursuant to Penn-York's Rate Schedule SS-1.

Granite State further states that, on June 28, 1991, Penn-York filed a motion under section 4(e) of the Natural Gas Act to make effective on July 1, 1991, the suspended rates for its Rate Schedule SS-1 storage service, pending in Docket No. RP91-68-000. It is further stated that, in an order issued August 2, 1991, the Commission accepted Penn-York's motion rates, subject to refund. Granite State further states that its revised tariff sheets listed above track in its Rate Schedule S-1 the changes made by Penn-York in its rates for Rate Schedule SS-1 service.

Granite State states that copies of its filing were served on its storage service customers, Bay State Gas Company and Northern Utilities, Inc. and also on the regulatory commissions of the states of Maine, Massachusetts and New Hampshire.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with sections 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). All such motions or protests should be filed on or before September 3, 1991. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the

Commission and are available for public inspection.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 91-20809 Filed 8-29-91; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. CP88-760-009]

**Transcontinental Gas Pipe Line Corp.;  
Compliance Filing**

August 22, 1991

Take notice that Transcontinental Gas Pipe Line Corporation (Transco) tendered for filing on August 12, 1991 certain substitute and revised tariff sheets to its FERC Gas Tariff, Third Revised Volume No. 1 and Original Volume No. 2, which tariff sheets are enumerated in appendix A attached thereto. The tariff sheets in the instant filing are proposed to be effective November 1, 1990 and August 1, 1991.

Transco states that the purpose of the instant filing is to implement the rates approved by the Federal Energy Regulatory Commission (Commission) in its order issued July 5, 1991, in Docket No. CP88-760-003, wherein the Commission granted rehearing of its initial decision to impose a modified fixed-variable rate design on Transco's Southern Expansion service. In its July 5 order the Commission approved an initial rate of \$6.6198 per Mcf of demand based on a straight fixed-variable rate design.

Transco states that copies of the instant filing were mailed to its Southern Expansion customers and interested State Commissions. In accordance with provisions of § 154.16 of the Commission's Regulations, copies of this filing are available for public inspection, during regular business hours, in a convenient form and place at Transco's main offices at 2800 Post Oak Boulevard in Houston, Texas.

Any person desiring to protest said filing should file a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with rule 211 of the Commission's Rules of Practices and Procedure, 18 CFR 385.211. All such protests should be filed on or before August 29, 1991. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are on file with the

<sup>2</sup> See e.g., New York State Electric and Gas Corp., 42 FERC ¶ 61,386 at n. 13 (1988).

<sup>3</sup> 52 FERC ¶ 61,071 (1990); and 53 FERC ¶ 61,428 (1990).

<sup>4</sup> 52 FERC ¶ 62,095 (1990).

<sup>5</sup> On December 3, 1990, the Commission amended its regulations to delete appeals of staff action. Pursuant to § 385.1902(c), 18 CFR 385.1902(c), all appeals of staff action pending on that date are deemed to be requests for rehearing.

<sup>6</sup> See CFR 385.102.

<sup>7</sup> In any event, the arguments raised by Manter in the Project No. 10533 proceeding are the same as those raised by Manter in its Project No. 10655 licensing proceeding and were addressed by the Commission in the Project No. 10655 proceeding. See 53 FERC ¶ 61,428 (1990).

Commission and are available for public inspection.

Lois D. Cashell,

Secretary.

[FR Doc. 91-20810 Filed 8-29-91; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. CP89-6-004]

### Transcontinental Gas Pipe Line Corp.; Compliance Filing

August 22, 1991.

Take notice that Transcontinental Gas Pipe Line Corporation (Transco) tendered for filing on August 12, 1991 certain substitute and revised tariff sheets to its FERC Gas Tariff, Second Revised Volume No. 1, Third Revised Volume No. 1 and Original Volume No. 1 and Original Volume No. 2, which tariff sheets are enumerated in appendix A attached to the filing. The tariff sheets are proposed to be effective as indicated on Appendix A.

Transco states that the purpose of the instant filing is to implement the rates approved by the Federal Energy Regulatory Commission (Commission) in its order issued June 21, 1991 in the above-referenced docket, wherein the Commission granted rehearing of its initial decision to impose a modified fixed-variable rate design on Transco's firm seasonal transportation service for the Associated PennEast Customer Group (APEC). In its June 21 order the Commission approved a demand charge of \$5.0629 per Mcf and a commodity charge of \$0.0225 per Mcf based on a straight fixed-variable rate design.

Transco states that copies of the instant filing were mailed to its APEC customers and interested State Commissions. In accordance with provisions of § 154.16 of the Commission's Regulations, copies of this filing are available for public inspection, during regular business hours, in a convenient form and place at Transco's main offices at 2800 Post Oak Boulevard in Houston, Texas.

Any person desiring to protest said filing should file a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, N.E., Washington, DC. 20426, in accordance with Rule 211 of the Commission's Rules of Practice and Procedure, 18 CFR 385.211. All such protests should be filed on or before August 29, 1991. Protests should be filed on or before August 29, 1991. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Copies of this filing are

on file with the Commission and are available for public inspection.

Lois D. Cashell,

Secretary.

[FR Doc. 91-20811 Filed 8-29-91; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. TQ90-4-49-003, et al.]

### Williston Basin Interstate Pipeline Co.; Technical Conference

August 26, 1991.

Take notice that a technical conference will be held in these proceedings on Tuesday, September 10, 1991 at 10 a.m. (EST), at the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426.

All interested parties are permitted to take part in the conference.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 91-20812 Filed 8-29-91; 8:45 am]

BILLING CODE 6717-01-M

### Office of Hearings and Appeals

#### Notice of Issuance of Decisions and Orders; Week of May 27 through May 31, 1991

During the week of May 27 through May 31, 1991, the decisions and orders summarized below were issued with respect to appeals and applications for other relief filed with the Office of Hearings and Appeals of the Department of Energy. The following summary also contains a list of submissions that were dismissed by the Office of Hearings and Appeals.

#### Appeals

Glenn T. Edwards, 5/30/91, LFA-0112

Glenn T. Edwards filed an Appeal from a determination issued by the Albuquerque Operations Office (Albuquerque Operations) of the DOE of a request for information which he had submitted under the Freedom of Information Act (FOIA) and the Privacy Act. Albuquerque Operations had withheld the material under Exemption 7(A) of the FOIA and Exemption (d)(5) of the Privacy Act, because the material requested was related to an ongoing security clearance proceeding under Part 710 of the DOE regulations. In considering the Appeal, the DOE found that Albuquerque Operations had not issued an adequate FOIA or Privacy Act determination. The DOE found that Albuquerque Operations had not identified the particular entity asserting Exemption 7 or its authority to do so.

Nor had it properly justified withholding the requested material under the general FOIA or the special Exemption 7(A) standards. The DOE likewise found that Albuquerque Operations had not met the statutory and regulatory standards for a Privacy Act determination. In addition, the DOE held that Albuquerque Operations should have followed the Privacy Act Guidelines issued by the Office of Management and Budget (OMB) and attempted to apply the specific exemptions found in subsections (j) and (k) of the Privacy Act before invoking Exemption (d)(5). The DOE also provided guidance on the future application of Exemption (d)(5) in accordance with the OMB Guidelines. Accordingly, the Appeal was granted, and the matter remanded to the Albuquerque Operations Office for a new determination in accordance with the guidance provided in the Decision and Order.

INEL Research Bureau, 5/31/91, LFA-0113

INEL Research Bureau, a project of the Environmental Defense Institute, Inc., a non-profit educational organization, appealed a denial of its request for information under the Freedom of Information Act. In its denial, the Idaho Operations Office determined that the information the appellant sought—copies of radiation exposure data analysis files for workers and military personnel employed by or assigned to the Idaho National Engineering Laboratory—does not currently exist in any of DOE's records. On appeal, the DOE determined that information responsive to some portions of the request do exist. Accordingly, the request was remanded to the Idaho Operations Office and the Office of Naval Reactors for new determinations in which they should consider the releasability of any partially responsive information and whether it is of value to the requester.

#### Refund Applications

Atlantic Richfield Company/Santa Venetia ARCO Ross Valley ARCO, 5/30/91 RF304-11159, RF304-11160

The DOE issued a Decision and Order in the ARCO special refund proceeding concerning an Application for Refund filed by Mr. Forrest Morpew on behalf of two service stations he owned, Santa Venetia ARCO (Case No. RF304-11159) and Ross Valley ARCO (Case No. RF304-11160). Mr. Morpew had previously received a refund of \$5,000 in principal based upon purchases made by another company he owned, Diesel Engineering and Marketing Co. The total

purchase volume of all three entities is 11,517,909 gallons. Because Mr. Morphew elected the presumption of injury and has already received the maximum \$5,000 refund, the DOE determined that the refund Application of Santa Venetia ARCO and Ross Valley ARCO should be granted but that no additional refunds could be approved.

*Caravan Refrigerated, Cargo, Inc., et al., 5/31/91, RF272-75659, et al.*

The DOE issued a Decision and Order in the Subpart V crude oil refund proceeding concerning Applications for Refund filed by interstate motor carriers. In support of the claims, the applicants' representative, LK, Inc., submitted gallonage estimates based on a mileage-to-gallonage formula established by the Interstate Commerce Commission. The total gallons were then increased by a 6% circuitry factor. This estimation technique was approved by the DOE. The DOE granted a refund of \$339,900 to nineteen applicants.

*Hart Lumber Company, et al., 5/31/91, RF272-77211, et al.*

The DOE issued a Decision and Order granting a refund from the crude oil overcharge funds to seven applicants.

The DOE did not accept the gallonage estimation used by the applicants' filing service, Petroleum Funds, Inc., and required them to substantiate the estimates. Two of the seven applicants chose to exclude gallons from their gallonage claims, while the remaining five applicants submitted verifiable estimates or records. The total refund granted to the applicants in this Decision is \$20,947.

*King Industries, Inc., 5/28/91, RF272-36143*

On May 26, 1991, the DOE issued a Decision and Order granting in part an Application for Refund filed by King Industries, Inc. (King), in the DOE Subpart V crude oil refund proceeding. In that Decision, the DOE found that the applicant had used the petroleum products it purchased in the course of its normal business activities as a producer of chemicals and was therefore an end-user of the refined petroleum products for which it sought a refund. Consequently, the applicant was presumed to have been injured by the crude oil overcharges. The DOE then determined that three of the products for which King sought a refund, *i.e.*, nitrobenzene, nonenes, and Synfluid

PAO Oil, are not eligible products in this proceeding. Subtracting the volumes of these products from King's gallonage claim, the DOE determined that King should receive a refund of \$5,730.

*Kingsway Transports Limited, 5/28/91, RF272-49096*

The DOE issued a Decision and Order granting the Subpart V crude oil refund application of Kingsway Transports Limited, based on its purchases of petroleum products during the period August 19, 1973, through January 27, 1981. Although an application and waiver in the Stripper Well Surface Transporter refund proceeding had been filed on Kingsway's behalf, that filing had not been authorized by the firm, and Kingsway was therefore eligible to seek a Subpart V crude oil refund. After fully considering the firm's claim, the DOE granted Kingsway a refund of \$2,758.

#### Refund Applications

The Office of Hearings and Appeals issued the following Decisions and Orders concerning refund applications, which are not summarized. Copies of the full texts of the Decisions and Orders are available in the Public Reference Room of the Office of Hearings and Appeals.

Amphenol Corporation .....	RF272-28023	05/29/91
McCommach Ranches, Inc. ....	RF272-45258	
Atlantic Richfield Co./Alliance Oil Service Inc. <i>et al.</i> .....	RF304-3349	05/31/91
Atlantic Richfield Co./Brown Feed & Seed, Inc. <i>et al.</i> .....	RF304-3331	05/28/91
Atlantic Richfield Co./John Bartholomew ARCO .....	RF304-11911	05/30/91
Barrett Paving Materials Inc. ....	RF272-26801	05/28/91
Barrett Paving Materials Inc. ....	RD272-26801	
Blue Rock Industries .....	RD272-25221	05/28/91
Blue Rock Industries .....	RF272-25221	
Central Foundry Company .....	RF272-475	05/30/91
Central Foundry Company .....	RD272-475	
Delta U.S. Corporation .....	RF272-23787	05/30/91
Delta U.S. Corporation .....	RD272-23787	
Dutchess Quarry & Supply Co., Inc. ....	RF272-25634	05/29/91
Dutchess Quarry & Supply Co., Inc. ....	RD272-25634	
Gulf Oil Corp./Ross Reamsnyder Gulf .....	RR300-13	05/30/91
Lloyd L. Shonkwiler <i>et al.</i> .....	RF272-61910	05/28/91
Murphy Oil Corp./Racetrac Petroleum, Inc. <i>et al.</i> .....	RF309-1019	05/29/91
San Juan County <i>et al.</i> .....	RF272-73240	05/28/91
Tesoro Petroleum Corporation/Great Northern Airlines, Inc. <i>et al.</i> .....	RF326-64	05/29/91
Texaco Inc./Ashbridge Oil Co., Inc. <i>et al.</i> .....	RF321-3090	05/29/91
Texaco Inc./Bergeron Oil Co., Inc. <i>et al.</i> .....	RF321-814	05/30/91
Texaco Inc./Bills Oil Service <i>et al.</i> .....	RF321-7074	05/30/91
Texaco Inc./Burger Bros. <i>et al.</i> .....	RF321-5088	05/28/91
Texaco Inc./Curtin Texaco .....	RF321-15512	05/31/91
Texaco Inc./Frank's Texaco .....	RF321-11685	05/29/91
Frank Texaco Inc. ....	RF321-14702	
Texaco Inc./Joe's Occidental Service <i>et al.</i> .....	RF321-7113	05/29/91
L. A. Jones .....	RF321-7248	
Texaco Inc./Lynn Miller's Texaco <i>et al.</i> .....	RF321-3729	05/29/91
Texaco Inc./Paul's Texaco Service, Inc. <i>et al.</i> .....	RF321-2778	05/30/91
Texaco Inc./Westside Texaco <i>et al.</i> .....	RF321-1505	05/30/91
Texaco Inc./William E. Spence .....	RF321-7525	05/30/91
William B. Spence .....	RF321-7938	
Texaco Inc./Zimmer's Texaco <i>et al.</i> .....	RF321-7800	05/30/91
Tillamook Farmers' Co-op, Inc. <i>et al.</i> .....	RF272-62398	05/28/91
Time Oil Company/Town Pump Inc. ....	RF334-3	05/28/91

**Dismissals**

The following submissions were dismissed:

Name	Case No.
Albert J. Branch Texaco.....	RF321-4798
Apex Oil Company.....	RF315-9635
Bunch Shell.....	RF315-8661
City of Highland Park.....	RF300-16201
Dennis H. Pellicci.....	RF315-8891
Eastland Parkway Shell.....	RF315-8646
Ed's Auto.....	RF300-16281
Edwards Gulf.....	RF300-16375
Five Points Texaco.....	RF321-3045
George R. Brown, Jr.....	RF300-14538
H. B. Fuller Company.....	RD272-71336
Interchange Texaco.....	RF321-1075
Ken Awbery Texaco Station.....	RF321-4566
Koehler Oil Corp.....	RF300-16117
Larry's Texaco.....	RF321-2103
Newport Electric Corp.....	RF214-2
Northwest Texaco Service.....	RF321-3295
Parkway Shell.....	RF315-8654
Peter A. Gross.....	RF321-15092
Pleasant Garden Texaco.....	RF321-3289
Prospect Street Shell.....	RF315-8657
Red Bud C U School District 132.....	RF272-87487
S.W. Jack Drilling Co.....	RF321-15097
Sickels Texaco Service.....	RF321-3296
Speedway Petroleum Co.....	RF300-16447
Tri-Valley Distributing, Inc.....	RF321-6255
William V. Hanna & Son.....	RF272-75132

Copies of the full text of these decisions and orders are available in the Public Reference Room of the Office of Hearings and Appeals, room 1E-234, Forrestal Building, 1000 Independence Avenue, SW., Washington, DC 20585, Monday through Friday, between the hours of 1 p.m. and 5 p.m., except federal holidays. They are also available in Energy Management: Federal Energy Guidelines, a commercially published loose leaf reporter system.

Dated: August 23, 1991.

George B. Breznay,

Director, Office of Hearings and Appeals.

[FR Doc. 91-20902 Filed 8-29-91; 8:45 am]

BILLING CODE 6450-1-M

### Notice of Issuance of Decisions and Orders; Week of June 17, through June 21, 1991

During the week of June 17 through June 21, 1991, the decisions and orders summarized below were issued with respect to appeals and applications for exception or other relief filed with the Office of Hearings and Appeals of the Department of Energy. The following summary also contains a list of submissions that were dismissed by the Office of Hearings and Appeals.

**Appeals**

*Bernard Hanft, 6/21/91, LFA-0126*

Bernard Hanft filed an Appeal from a determination issued by the Department

of Energy's Office of Coal Conversion (OCC). The OCC determined that most of the documents requested by Mr. Hanft under the Freedom of Information Act (FOIA) could not be found. In considering the Appeal, the DOE determined that the search for documents responsive to Mr. Hanft's original request had been inadequate, and remanded the matter to OCC. The DOE further found that information requested for the first time in the Appeal improperly broadened the request. This aspect of the Appeal was denied, and the DOE stated that Mr. Hanft may file a new request with the DOE for this information.

*Western Construction, Inc., 06/18/91, LFA-0125*

Western Construction, Inc. (Western) filed an Appeal from a determination issued by the Department of Energy's Albuquerque Operations Office. The Albuquerque Office determined that the unit prices of Industrial Constructors Corporations requested by Western under the Freedom of Information Act (FOIA) could not be released pursuant to Exemption 4. In considering the Appeal, the DOE found that the justification for withholding the requested information was adequate under the FOIA. The Appeal was therefore denied.

**Refund Applications**

*Citronelle-Mobile Gathering, Inc./Globe Manufacturing Co., 06/21/91, RF336-1*

The DOE issued a Decision and Order granting an Application for Refund filed by Globe Manufacturing Co. in the Citronelle-Mobile Gathering, Inc. (Citronelle) special refund proceeding. The DOE is determining, on a rolling basis, whether an applicant is eligible to receive a refund, and, if so, volume of product that will be used to calculate its refund. After the November 15, 1991 filing deadline for application is passed, the OHA will transmit a proposed distribution order to the U.S. District Court for the Southern District of Alabama for its approval, and refunds will be paid at that time. Globe was a manufacturer whose share of the funds collected from Citronelle will be based on its purchases of 449,715 gallons of No. 6 residual fuel from New England Petroleum Company, reseller of the petroleum products refined from Citronelle crude oil.

*Exxon Corporation/Castle Coal & Oil Co., 06/19/91, RF307-9333*

The DOE issued a Decision and Order granting Castle Coal & Oil Company a

refund of \$759 in the Exxon Corporation special refund proceeding.

*EXXON Corp./Enron Corp., 06/19/91, RF307-10013*

The DOE issued a Decision and Order concerning an Application for Refund filed by Enron Corporation, a propane reseller. Enron sought a portion of the settlement fund obtained by the DOE through a consent order entered into with Exxon Corporation. Since Enron's refund claim was in excess of \$5,000, the firm was required to show that it was injured by Exxon's pricing practices during the consent order period. Enron satisfied this requirement. After evaluating the firm's injury documentation, the DOE granted Enron a refund of \$28,344 (\$20,099 principal plus \$8,245 interest).

*Gulf Oil Corporation/Five Points Gulf, 06/18/91, RR300-88*

The DOE denied a Motion for Modification filed by Energy Refunds, Inc. (ERI) in connection with Gulf Oil Corp./Five Points West Gulf. In that decision, the DOE ordered ERI to return a refund that the DOE had granted to its client, Five Points Gulf. In considering the requested modification, the DOE restated the principle that a filing service such as ERI is responsible for the accuracy of information that it submits. With respect to ERI's argument that it obtained the submission in question from its client without any knowledge that it was false, the DOE found that ERI's claimed innocence, while plausible, did not relieve the firm of this responsibility and its resulting obligation to return the refund.

*Jack B. Parson Co. Cummins Construction Co., Inc., 06/20/91, RF272-73734, RD272-73734, RF272-73883, RD272-73883*

The DOE issued a Decision and Order granting crude oil overcharge refunds to Jack B. Parson Co. and Cummins Construction Co., Inc. The applicants were end users of refined petroleum products, and involved in the manufacture and laydown of asphaltic concrete in connection with highway construction. A consortium of 28 states and two territories filed a "Statement of Objections" and "Motion for Discovery" with respect to the applicants' claims. The DOE found that the states' filings were insufficient to rebut the presumption of injury for end-users in these cases. Therefore, the Applications for Refund were granted and the Motions for Discovery were denied. The sum of the refunds granted in the Decision is \$64,096.



*John R. Adams/Bride Company Texaco Refining & Marketing, Inc., 06/20/91, RF338-1, RF338-2*

The DOE issued a Decision and Order granting a total refund of \$25,311 to two direct purchasers of John R. Adams petroleum products.

*Linden Hill No. 1/Cooperative Corp., 06/20/91, RR272-69*

The DOE issued a Decision and Order granting a Motion for Reconsideration filed by Linden Hill No. 1 Cooperative Corp., asking the DOE to reconsider the dismissal of its Application for Refund filed in the subpart V crude oil special refund proceeding. The original Application was dismissed after more than one year had passed and the DOE's request for authorization naming Daniel Smith as the Applicant's agent had not been satisfied. On reconsideration the Applicant asked DOE to consider that it is an apartment cooperative that works through its Board of Directors, which in turn did not place a priority on the authorization. As soon as Mr. Smith received the authorization, it was forwarded to the DOE. Therefore, the DOE decided to grant the Motion and gave the Applicant a refund on the basis of the original Application's claim of 1,259,180 gallons for a total refund amount of \$1,007.

*Mobay Corporation, 06/19/91, RC272-124*

The DOE corrected a crude oil overcharge refund issued to Mobay Corporation, directing the firm to return an overpayment of \$17,327.

*Texaco Inc./Elliott Bell, Inc. Elliott Petroleum, 6/18/91, RF321-5499, RF321-6120*

The DOE issued a Decision and Order in the Texaco Inc. refund proceeding concerning two Applications for Refund filed by Elliott Bell, Inc., and Elliott Petroleum, based upon purchases by the same Texaco consignee/jobber business. The application filed by Elliott Bell indicated that the assets of the corporation were sold in 1983. The DOE noted that, where the purchaser of the Texaco products is a corporation, the right of the refund remains with the original corporate purchaser if a successor purchases only the assets and not the stock of the corporation. The DOE found that the right to the refund for the entire period remained with Elliott Bell, Inc., because only the assets were sold and not corporate stock. Accordingly, the application filed on behalf of Elliott Bell, Inc. was granted in the amount of \$19,130, and the Application filed on behalf of Elliott Petroleum was denied.

*Texaco Inc./Leo Leclerc & Sons Fuel, Inc. et al., 6/20/91, RF321-7000 et al.*

The DOE issued a Decision and Order granting refunds in the Texaco Inc. special refund proceeding to five applicants. The applicants, who were all either end-users or resellers of Texaco products, were presumed injured by their Texaco purchases and were granted refunds totalling \$58,251 (\$46,645 principal plus \$11,606 interest).

*Texaco Inc./Time Oil Company, 6/21/91, RF321-14212, RF321-15328*

The DOE issued a Decision and Order denying duplicate refund applications filed in the Texaco Inc. special refund proceeding on behalf of Time Oil Company. The first application requested a small claims refund, and the second application requested a refund based upon an alleged disproportionate overcharge and the medium range presumption of injury. In the duplicate filing, the applicant certified that it had not filed any other application in the Texaco proceeding. In view of the false certification, the DOE determined that both applications should be denied.

*William C. Smith Midway Asphalt Paving, Inc., 6/18/91, RF272-19390, RF272-19880*

The DOE issued a Decision and Order dismissing two Applications for Refund filed by William C. Smith and Midway Asphalt Paving, Inc., in the Subpart V crude oil overcharge special refund proceeding. The Applications were incomplete and efforts to contact the Applicants were unsuccessful.

#### Refund Applications

The Office of Hearings and Appeals issued the following Decisions and Orders concerning refund applications, which are not summarized. Copies of the full texts of the Decisions and Orders are available in the Public Reference Room of the Office of Hearings and Appeals.

Agway, Inc./Cedar Lane Corp.	RF324-6	06/21/91
F.P. Young Co.	RF324-11	
Alvarado School District	RF272-78789	06/18/91
Atlantic Richfield Co./McDowell Oil Supply, Inc.	RF304-7496	06/21/91
Atlantic Richfield Co./Pacific Gas and Electric Co.	RF304-10108	06/19/91
Atlantic Richfield Co./Phil's Arco et al.	RF304-8035	06/17/91
Atlantic Richfield Co./Powell Arco et al.	RF304-3460	06/21/91
Atlantic Richfield Co./Ross Fuel Co. et al.	RF304-12290	06/18/91
Atlantic Richfield Co./William Lewis' Arco et al.	RF304-12101	06/19/91
Beacon Oil Company/Beacon Madera	RF238-37	06/19/91
Brainerd School District	RF272-78773	06/18/91
Canteen Company	RF272-64283	06/21/91
Canteen Company	RD272-64283	06/21/91
Cyrus Bagdad Copper Corporation et al.	RF272-61260	06/19/91
Cyrus Bagdad Copper Corporation	RF272-61260	
Erie County et al.	RF272-65330	06/17/91
Fletcher Oil & Refining Co./Cool Fuel, Inc.	RF329-3	06/19/91
Gonvick-Trail School District	RF272-78765	06/19/91
Gulf Oil Corporation/Bagaley Gulf et al.	RF300-11932	06/19/91
Gulf Oil Corporation/Cox Edgewood Service et al.	RF300-11502	06/21/91
Gulf Oil Corporation/Schell's Super Service et al.	RF300-11738	06/18/91
Gulf Oil Corporation/Shoporama Car Wash et al.	RF300-6550	06/21/91
Jim Goins et al.	RF272-18158	06/18/91
Menahga School District	RF272-78782	06/18/91
Newell Co.	RF272-64897	06/20/91
Ohio Turnpike Commission	RF272-65503	06/17/91
Quintana Energy Corp./Amoco Corporation	RF332-2	06/18/91
R. & S. Oil Co., Inc.	RF272-34286	06/21/91
Shell Oil Company/Marvel Oil Company, Inc.	RF315-2532	06/18/91
Shell Oil Company/Nelson Oil Company	RF315-6903	06/18/91
Kaibab Industries	RF315-8105	
Shell Oil Company/Sears Oil Company	RF315-2080	06/18/91
Wyatt, Inc.	RF315-2319	

BP Oil Inc.	RF315-2334	
Shell Oil Company/W.V.S.C., Inc.	RF315-4637	06/19/91
State of Arizona, Department of Transportation	RF272-64195	06/19/91
Tesoro Petroleum Corporation/Georgetown Railroad Company et al.	RF326-111	06/21/91
Texaco Inc./Broyles Texaco et al.	RF321-8200	06/17/91
Texaco Inc./City of Trussville et al.	RF321-8357	06/19/91
Texaco Inc./Dixie Leasing, Inc. et al.	RF321-7900	06/17/91
Texaco Inc./Kerr Texaco Dist. et al.	RF321-7317	06/17/91
Texaco Inc./North Park Texaco et al.	RF321-6508	06/17/91
Texaco Inc./P. Duane Holt	RF321-7926	06/19/91
Holt AJO Texaco	RF321-13574	
Holt's "80" Texaco	RF321-13575	
Holt Interstate Services	RF321-13576	
Texaco Inc./York Petroleum, Inc. et al.	RF321-38260	06/20/91
Thurston County Public works	RF272-38260	06/18/91

## Dismissals

The following submissions were dismissed:

Name	Case No.
431 Texaco Station	RF321-237
A. G. Holley State Hospital	RF272-89206
A. G. Holley State Hospital	RF272-89206
Al Browne's Texaco	RF321-733
Al's Gulf	RF300-13111
American Paving & Construction Co.	RF272-41328
Asphalt Products Co.	RF272-19511
Associated Asphalt, Inc.	RF272-15843
Becker & Londo Texaco	RF321-799
Bill & Bob's	RF300-16064
BMG Asphalt Co.	RF272-59838
Brown & Root, Inc.	RD272-22396
Brown & Root, Inc.	RD272-22396
Butterbaugh Oil Co., Inc.	RF304-11971
Butterbaugh Oil Co., Inc.	RF304-11971
Campbell Gas & Oil	RF300-13499
Cass County, MN.	RF272-87776
Charles Willey	RF315-8800
Charles Willey	RF315-8804
Charles Willey	RF315-8795
Charles Willey	RF315-8790
Charles Willey	RF315-8791
Charles Willey	RF315-8794
Charles Willey	RF315-8792
Child's Service Station	RF300-15857
Childress Texaco	RF321-104
Chris Walls Texaco	RF321-105
District	
Clarion Community School District	RF272-81064
Coburg Texaco	RF321-130
College Globe Texaco	RF321-134
College Motor Sales	RF321-136
Country Club Texaco	RF321-152
D&W Texaco	RF321-163
D. Park's Texaco	RF321-164
Darrell's Texaco	RF321-171
Dayco Products, Inc.	RF272-84098
Delta Street Texaco	RF321-187
Dick Burandt's Texaco	RF321-196
Doug Walker	RF272-41235
Downtown Texaco	RF321-14828
East St. Gulf	RF300-16260
Emmett's Texaco	RF321-202
Empire Gulf	RF300-13239
Ernis Texaco	RF321-207
Fanelli Brothers Trucking	RF304-12120
Finley's Texaco & Grocery	RF321-223
Five Points Gulf	RF300-15651
Fletcher Texaco	RF321-228
Franks Texaco	RF321-238
Fred's Texaco	RF321-248
Fred's Texaco	RF321-250
Fred's Texaco	RF321-249
Freddie's Texaco	RF321-252
George Smith's Arco #1	RF304-12113
George's Gulf	RF300-13124

Name	Case No.
Gerardo Acosta's Texaco	RF321-288
Glisan Texaco	RF321-299
Hammock Texaco	RF321-3046
Hammock Texaco	RF321-3046
I.P. White	RF300-13398
James L. Turnbaugh & Sons	RF300-12850
James L. Turnbaugh & Sons	RF300-12850
James Wintercorn	RF300-12754
Jerald L. Stroud	RF300-16593
Jim's Texaco	RF321-1112
John A. Sparta Gulf	RF300-12612
John S. Causey Distributor, Inc.	RF300-12665
John S. Causey Distributor, Inc.	RF300-16723
Joseph & Edmund Dipietro	RF300-16764
Joseph Carroll	RF300-13020
Junior's Texaco	RF321-1148
Junker Sanitation Service	RF272-89013
Justin Industries	RF300-16098
K&S Service Center	RF321-1153
Livingston School District #4 & #1	RF272-80142
Livingston School District #4 & #1	RF272-80142
Lovell's Service Center	RF304-12193
M. Dematteo Construction Co.	RF272-55741
Macmillan Oil Co.	RF300-16366
Marshall Paving Co., Inc.	RF272-40869
Michigan Tractor	RF300-15864
Midland Asphalt Corporation	RF272-37291
Mrs. Jack Johnson	RF300-12702
Newton Community School Dist.	RF272-81537
Newton Community School Dist.	RF272-81537
North Thurston School Dist.	RF272-85902
District	
Oakland Community School Dist.	RF272-81223
Odith Hampton Ballew	RF300-14782
Ogemaw County Road Commission	RF272-55567
Oren S. Myers	RF300-13587
P&M Cedar Products, Inc.	RF272-37239
Paige Texaco	RF321-1155
Pate's Texaco #1	RF321-1168
Patterson's Texaco	RF321-1170
Pemberton Borough School Dist.	RF272-84635
Pemberton Borough School Dist.	RF272-84635
Pete's Texaco	RF321-1186
Plehal Blacktopping, Inc.	RF272-15842
R&T Texaco	RF321-1219
Ralph T. Douglas	RF300-12241
Ralph T. Douglas	RF300-12240
Ralph's Texaco	RF321-1222
Randolph & Vincent	RF300-16517
Raymaley's Service Center	RF304-12192
Raymond Berra	RF300-12302
Rich's Point Texaco	RF321-1250
Rick's Texaco	RF321-1253
Riverside Brookfield Township District	RF272-87493
Riverside Brookfield Township District	RF272-87493
Roger's Texaco	RF321-1370
Ronnie's Texaco	RF321-1383
Rose's Parkway Texaco	RF321-1386
Roseland Park Texaco	RF321-1387
San Lorenzo Nursery Company	RF272-37155
Sangamo Weston	RF272-77342

Name	Case No.
Stanley's Texaco	RF321-1391
Steve Webber	RF300-16371
Steve's Texaco	RF321-1397
Stevens Texaco	RF321-1398
Storm Lake Community School	RF272-81154
Storm Lake Community School	RF272-81154
Sunset Cliffs	RF321-1311
Texaco Grand Opening	RF321-1340
Texaco Service Station	RF321-1344
Texaco Service Station	RF321-1343
Thorson Texaco	RF321-1348
Tip Top Texaco	RF321-1354
Tito's Texaco	RF321-1355
Tom's Texaco	RF321-1358
Vicars Texaco	RF321-268
Virdell Oil Company	RF300-15594
Western Illinois University	RF272-84843
Westside Texaco	RF321-1268
Whittaker Asphalt Paving, Inc.	RF272-52815
Willie's Texaco	RF321-1287
Yellowstone Texaco	RF321-1301

Copies of the full text of these decisions and orders are available in the Public Reference Room of the Office of Hearings and Appeals, room 1E-234, Forrestal Building, 1000 Independence Avenue, SW., Washington, DC 20585, Monday through Friday, between the hours of 1 p.m. and 5 p.m., except federal holidays. They are also available in Energy Management: Federal Energy Guidelines, a commercially published loose leaf reporter system.

Dated: August 23, 1991.

George B. Breznay,  
Director, Office of Hearings and Appeals.  
[FR Doc. 91-20903 Filed 8-29-91; 8:45 am]  
BILLING CODE 6450-01-M

## ENVIRONMENTAL PROTECTION AGENCY

[ER-FRL-3991-6]

### Environmental Impact Statements and Regulations; Availability of EPA Comments

Availability of EPA comments prepared August 12, 1991 Through August 16, 1991 pursuant to the Environmental Review Process (ERP), under section 309 of the Clean Air Act

and section 102(2)(c) of the National Environmental Policy Act as amended. Requests for copies of EPA comments can be directed to the Office of Federal Activities at (202) 382-5078.

An explanation of the ratings assigned to draft environmental impact statements (EISs) was published in FR dated April 05, 1991 (56 FR 14096).

#### Draft EISs

**ERP No. D-FAA-A83017-00 Rating LO,** Terminal Doppler Weather Radar Site Determination Program, Implementation and Funding.

**Summary:** EPA expressed no objection to the program.

#### Final EISs

**ERP No. F-AFS-J67011-CO,** Divide Creek Unit Coal-Bed Methane Project, Continued Development, Leasing, section 404 Permit, White River National Forest, Garfield and Mesa Counties, CO.

**Summary:** EPA believes that treated-produced water from coal-bed methane development will be discharge into tributaries of the Colorado River and will, therefore, impact the salinity of the river. EPA recommends self-certification with Agency oversight for monitoring restoration and rehabilitation of surface disturbance as a means of ensuring follow-up monitoring given resource limitations. EPA also recommends that liners be made a non-discretionary requirement of the Application for Permit to Drill.

**ERP No. F-SFW-C60003-NY,** Northern Montezuma Wetlands Project, Land Acquisition for Fish and Wildlife Protection and Management, Cayuga, Wayne and Seneca Counties, NY.

**Summary:** EPA has no objections to the implementation of the preferred alternative.

#### Regulations

**ERP No. R-CDB-A85043-00,** 24 CFR part 571; Community Development Block Grants for Indian Tribes and Alaskan Native Villages (Docket No. R-91-1530-2880-P-01) (56 FR 28666).

**Summary:** EPA believes that a major deficiency exists in terms of HUD's failure to provide to applicants environmental review training/consultation on a regular basis. EPA therefore recommended that the final rule include provisions for eligible applicants to receive environmental review training on an annual basis at a minimum, and environmental review consultation as necessary.

Dated: August 27, 1991.

**William D. Dickerson,**  
Deputy Director, Office of Federal Activities.  
[FR Doc. 91-20914 Filed 8-29-91; 8:45 am]  
BILLING CODE 6560-50-M

[OPP-180849; FRL 3941-3]

#### Receipt of Application for Emergency Exemption to use Fenpropathrin; Solicitation of Public Comment

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Notice.

**SUMMARY:** EPA has received a specific exemption request from the Texas Department of Agriculture (hereafter referred to as the "Applicant") to use the pesticide fenpropathrin (CAS 39515-41-8) to treat 6,800 acres of tomatoes to control the sweet potato whitefly.

The Applicant proposes the first food use of a chemical; therefore, in accordance with 40 CFR 166.24, EPA is soliciting public comment before making the decision whether or not to grant the exemption.

**DATES:** Comments must be received on or before September 18, 1991.

**ADDRESSES:** Three copies of written comments, bearing the identification notation "OPP-180849," should be submitted by mail to: Public Response and Program Resources Branch, Field Operations Division (H7506C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. In person, bring comments to: Rm. 1128, Crystal Mall #2, 1921 Jefferson Davis Highway, Arlington, VA.

Information submitted in any comment concerning this notice may be claimed confidential by marking any part or all of that information as "Confidential Business Information." Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2. A copy of the comment that does not contain Confidential Business Information must be provided by the submitter for inclusion in the public record. Information not marked confidential may be disclosed publicly by EPA without prior notice. All written comments filed pursuant to this notice will be available for public inspection in rm. 1128, Crystal Mall #2, 1921 Jefferson Davis Highway, Arlington, VA, from 8 a.m. to 4 p.m., Monday through Friday, except legal holidays.

**FOR FURTHER INFORMATION CONTACT:** By mail: Jim Tompkins, Registration Division (H7505C), Office of Pesticide Programs, Environmental Protection

Agency, 401 M St., SW., Washington, DC 20460. Office location and telephone number: Rm. 716, Crystal Mall #2, 1921 Jefferson Davis Highway, Arlington, VA, (703-557-4359).

**SUPPLEMENTARY INFORMATION:** Pursuant to section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) (7 U.S.C. 136p), the Administrator may, at his discretion, exempt a State agency from any registration provision of FIFRA if he determines that emergency conditions exist which require such exemption. The Applicant has requested the Administrator to issue a specific exemption for the use of Danitol 2.4 EC Spray (fenpropathrin) on tomatoes to control the sweet potato whitefly. Information in accordance with 40 CFR part 166 was submitted as part of this request.

The sweet potato whitefly was discovered in Florida in 1900, and has been a pest in the "desert-cropping systems" in California and Arizona for some time. It is common on many wild and cultivated crops such as tomatoes, cotton, cucurbits and solanaceae. The sweet potato whitefly was first confirmed in Texas in 1987. The Applicant states that in 1990 cotton growers in the Lower Rio Grande Valley (LRGV) began to experience significant crop losses due to infestation by the sweet potato whitefly. Observations made in the current (1991) season's cotton crop indicate that the sweet potato whitefly infestations are as much as 4 to 6 weeks ahead of the worst 1990 infestations. Producers in the LRGV feel they are not receiving adequate control with currently registered products. The Applicant is requesting the use of fenpropathrin to provide suppression of the sweet potato whitefly. The Applicant has indicated that without the use of fenpropathrin to control the sweet potato whitefly, tomato growers in the LRGV could experience losses of up to \$7 million in revenues.

Danitol 2.4 EC Spray will be applied at the maximum rate of 0.2 lbs. active ingredient per acre at a maximum of 8 applications on 6,800 acres of tomatoes. This amounts to 3,400 gallons of product, or 8,160 pounds of active ingredient. This is the first year that the Applicant has applied for the use of fenpropathrin on tomatoes. This year the Applicant requested the use of fenpropathrin on cotton. In May 1991, the Florida Department of Agriculture and Consumer Services was granted a section 18 exemption for the use of fenpropathrin on tomatoes to control sweet potato whitefly. This notice does not constitute a decision by EPA on the application itself. The regulations

governing section 18 require publication of a notice of receipt of an application for a specific exemption proposing the first food use of a registered chemical. Such notice provides for opportunity for public comment on the application. Accordingly, interested persons may submit written views on this subject to the Field Operations Division at the address above.

The Agency, accordingly, will review and consider all comments received during the comment period in determining whether to issue the emergency exemption requested by the Florida Department of Agriculture and Consumer Services.

Dated: August 15, 1991.

Anne E. Lindsay,  
Director, Registration Division, Office of  
Pesticide Programs.

[FR Doc. 91-20910 Filed 8-29-91; 8:45 am]  
BILLING CODE 6560-50-F

[ER-FRL-3991-5]

#### Environmental Impact Statements; Availability

**Responsible Agency:** Office of Federal Activities, General Information (202) 382-5073 or (202) 382-5075.

Availability of Environmental Impact Statements Filed August 19, 1991 Through August 23, 1991 Pursuant to 40 CFR 1506.9.

**EIS No. 910291, Final EIS, FHW, NC, NC-226/Spruce Pine Bypass Construction, US 19E southwest of Spruce Pine to NC-226 northwest of Minpro, Funding, COE Section 404 Permit and TVA Section 26A Permit, North Toe River, Mitchell County, NC, Due: September 30, 1991, Contact: Nicholas Graf, P.E. (919) 856-4346.**

**EIS No. 910292, Final EIS, FHW, WV, Chelyan Bridge Replacement and Upgrading, Reconstruction, US 60 from Diamond to WV61 Hugheston, COE 404 Permit and Coast Guard Bridge Permit, Chelyan Cabin Creek and Kanawha River, Kanawha County, WV Due: September 30, 1991, Contact: Billy R. Higginbotham (304) 348-3093.**

**EIS No. 910293, Final EIS, FHW, PR, PR-3 Relocation, between the Municipalities of Fajardo, and Humacao, COE 404 Permit, NPDES Permit and Funding, PR, Due: September 30, 1991, Contact: Juan O. Cruz (809) 766-5600.**

**EIS No. 910294, Final EIS, FHW, CA, CA-198 Freeway Improvements, Plaza Road to Mooney Boulevard, Funding and Possible Section 404 Permit, City of Visalia, Tulare County, CA, Due:**

September 30, 1991, Contact: John R. Schultz (916) 551-1140.

**EIS No. 910295, Draft EIS, AFS, AZ, Mt. Lemmon Ski Valley Area, Development and Management, Special Use Permit, Santa Catalina District, Coronado National Forest, Pima County, AZ, Due: October 29, 1991, Contact: James R. Abbott (602) 749-8700.**

**EIS No. 910296, Final EIS, AFS, ID, Accelerated Engelmann Spruce Harvest and Reforestation in Brush Creek, Hendricks Creek, and Copet Creek Salvage Timber Sales, Implementation, McCall Ranger District, Payette National Forest, Adams and Idaho Counties, ID, Due: September 30, 1991, Contact: Linda Fitch (208) 634-1401.**

**EIS No. 910297, Final EIS, USA, MD, VA, MA, Cameron Station Comprehensive Base Closure and Realignment of Fort Belvoir, Fort Myer and Fort McNair, Implementation, Fairfax and Arlington Counties, VA and Washington, DC, Due: September 30, 1991, Contact: Keith Harris (301) 962-4999.**

#### Amended Notices

**EIS No. 910134, Draft EIS, AFS, MT, East Boulder Mine Project, Platinum and Palladium Mining, Construction and Operation, Plan of Operations Approval and COE Section 404 Permit, Gallatin National Forest, Sweet Grass County, MT, Due: October 15, 1991, Contact: Leonard L. Lucero (406) 587-6701. Published FR 05-10-91—Review period reopened and extended.**

**EIS No. 910273, Draft Supplement, AFS, MT, East Boulder Mine Project, Platinum and Palladium Mining, Construction and Operation, Additional Alternative, Plan of Operations Approval and COE Section 404 Permit, Gallatin National Forest, Sweet Grass County, MT, Due: October 15, 1991, Contact: Sherm Sollid (406) 587-6701. Published FR 08-23-91—Review period reestablished.**

Dated: August 27, 1991.

William D. Dickerson,  
Deputy Director, Office of Federal Activities.  
[FR Doc. 91-20913 Filed 8-29-91; 8:45 am]  
BILLING CODE 6560-50-M

#### FEDERAL MARITIME COMMISSION

[Docket No. 88-27]

#### Ariel Maritime Group, Inc., et al. v. New York Shipping Association, Inc., et al.; Order To Show Cause Why Certain Claims Should Not be Dismissed With Prejudice

August 23, 1991.

Notice is given that, at the request of two complainants in this proceeding, AMG Services, Inc., formerly Ariel Maritime Group, Inc., and Ariel Maritime (USA) Inc. (the two Ariel complainants), a procedure has been established to determine whether the two Ariel complainants are the real parties in interest to assert claims arising out of implementation of the so-called Rules on Containers and whether certain other named complainants purportedly associated with the two Ariel complainants and their alleged claims should not be dismissed with prejudice.

Notice of the filing of the complaint in this proceeding was published in the Federal Register, 54 FR 185, on January 4, 1989. In addition to the two Ariel complainants and to seven other complainants who are not associated with the two Ariel complainants, the following ten companies were identified as trade names of complainant Ariel Maritime (USA) Inc.: TransAfrica Line, Oasis Express Line, Javelin Line, Coast Container Line, Interlink Lines, Buccaneer Line, Union Exportadora Lines, Canbel Line, Cedar Star Line, and Liberty Lines.

The two Ariel complainants have asserted that they are the real parties in interest to assert any claims relating to the operations of the Ariel group of companies, including the ten companies named above, and that these ten companies and their alleged claims should be dismissed with prejudice. However, because these ten companies may not in fact have been represented, before any adverse action is taken against them, the Ariel complainants have asked that suitable notice be provided the ten companies by publication in the Federal Register and by mail where feasible.

Accordingly, the ten complainant companies named above are notified that they are ordered to show cause in writing why they and their alleged claims should not be dismissed with prejudice from the proceeding. Responses to this order shall be mailed so as to reach the undersigned on or before September 30, 1991. The responses shall be addressed to: Norman D. Kline, Administrative Law

Judge, Office of Administrative Law Judges, Federal Maritime Commission, Washington, DC 20573.

Failure to comply with this order will result in a dismissal of the complainant and its alleged claims with prejudice.

Norman D. Kline,

*Administrative Law Judge.*

[FR Doc. 91-20777 Filed 8-29-91; 8:45 am]

BILLING CODE 6730-01-M

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Office of the Secretary

#### Agency Forms Submitted to the Office of Management and Budget for Clearance

On Fridays, the Department of Health and Human Services, Office of the Secretary publishes a list of information collections it has submitted to the Office of Management and Budget (OMB) for clearance in compliance with the Paperwork Reduction Act (44 U.S.C. chapter 35). The following are those information collections recently submitted to OMB.

1. Social Security Client Satisfaction Survey—0990-0171—revision—This survey of Social Security beneficiaries will obtain information on client satisfaction with Social Security services as part of the Inspector General's on-going monitoring of SSA. The information will be used to identify areas where improvements in service delivery are necessary. In particular, some program indicators used in implementing the Chief Financial Officer Act are data elements from this survey. Respondents: Individuals; Annual Number of Respondents: 975; Frequency of Response: One time; Average Burden per Response: 20 minutes; Estimated Total Annual Burden: 325 hours.

OMB Desk Officer: Allison Eyd.

Copies of the information collection packages listed above can be obtained by calling the OS Reports Clearance Officer on (202) 619-0511. Written comments and recommendation for the proposed information collection should be sent directly to the OMB desk officer designated above at the following address: OMB Reports Management Branch, New Executive Office Building, room 3208, Washington, DC 20503.

Dated: August 20, 1991.

James F. Trickett,

*Deputy Assistant Secretary for Management and Acquisition.*

[FR Doc. 91-20447 Filed 8-29-91; 8:45 am]

BILLING CODE 4150-04-M

### Administration for Children and Families

#### Forms Submitted to the Office of Management and Budget for Clearance

The Administration for Children and Families will publish on Fridays information collection packages submitted to the Office of Management and Budget (OMB) for clearance, in compliance with the Paperwork Reduction Act (44 U.S.C. chapter 35). Following is the package submitted to OMB since the last publication. (For a copy of a package, call the FSA, Report Clearance Officer 202-401-5604.)

Tribal JOBS Program Quarterly Report—Form ACF-114-New—The information collected on Form ACF-114 will provide the database to properly monitor, analyze, and assess JOBS program administered by Tribal grantees nationwide. Also, Tribal JOBS program information will be used to address Congressional inquiries. Respondents: State or local governments/Tribal grantees; Number of Respondents: 76; Frequency of Response: Quarterly; Average Burden per Response: 8 hours; Estimated Annual Burden: 2,432 hours.

OMB Desk Clearance Officer: Laura Oliven.

Written comments and recommendations for the proposed information collection should be sent directly to the appropriate OMB Desk Officers designated above at the following address: OMB Reports Management Branch, New Executive Office Building, Room 3201, 725 17th Street, NW., Washington, DC 20503.

Dated: August 13, 1991.

Naomi B. Marr,

*Associate Administrator, Office of Management & Information Systems.*

[FR Doc. 91-20382 Filed 8-29-91; 8:45 am]

BILLING CODE 4150-04-M

### U.S. Advisory Board on Child Abuse and Neglect; Meeting

#### AGENCY HOLDING THE MEETING:

Administration for Children and Families, HHS.

**TIMES AND DATES:** 2 p.m. September 11, 1991–6 p.m., September 15, 1991.

#### PLACE:

2 p.m.–6 p.m., September 11, 1991, Hotel Radisson, 1550 Court Place, Denver, Colorado.

8 a.m.–8 p.m., September 12, 1991, Ganow Tower, University of Colorado, Boulder, Colorado.

8:30 a.m. September 13, 1991–1 p.m.

September 14, 1991, Hotel Radisson, 1550 Court Place, Denver, Colorado.

3:30 p.m.–6 p.m. September 15, 1991,

Colorado Convention Center, Denver, Colorado.

**STATUS:** The meeting is closed to public observation from 2 p.m. on September 11, 1991 until 8 p.m. on September 12, 1991, and open to public observation at all other times.

**MATTERS TO BE CONSIDERED:** During portions of this meeting the Advisory Board will review the first two years of Board operations and plan the next two years of Board operations. Therefore, those portions of the meeting will be closed in order to protect the free exchange of internal views among Board members and to avoid undue interference with the operation of the Board.

During the open portions of this meeting the Advisory Board will: Be briefed on plans for the release of its 1991 report; review the workplan for the development of its 1993 report on a new national child protection strategy; decide on the subject of its 1992 report; discuss plans for a topical report on the Federal child protection research effort; review National Center developments since the May, 1991 meeting and Inter-Agency Task Force developments as well as receive an update on the DHHS initiative on Child Abuse and Neglect; discuss with Congressional staff the implications of the 1991 report for current and future reauthorizations of the Child Abuse Prevention and Treatment Act; elect a Chairperson and Vice-Chairperson to serve until the end of the 1993 Board Program Year; hear a presentation on the role of religious institutions in the new national strategy; discuss with four experts on sexual abuse the implications for the prevention and treatment of sexual abuse of the new national strategy; and participate in a Hearing of the House Select Committee on Children, Youth and Families.

#### CONTACT PERSON FOR MORE

**INFORMATION:** Eileen H. Lohr, Program Assistant, U.S. Advisory Board on Child Abuse and Neglect, room 2433, Switzer Building, Washington, DC 20201, (202) 445-6670.

Dated: August 23, 1991.

Byron D. Metrikin-Gold,

*Executive Director, U.S. Advisory Board on Child Abuse and Neglect.*

[FR Doc. 91-20839 Filed 8-29-91; 8:45 am]

BILLING CODE 4130-01-M

**Food and Drug Administration****[Docket No. 78N-301H]****RIN 0905-AA06****Hydrocortisone; Marketing Status as an External Analgesic Drug Product for Over-the-Counter Human Use; Notice of Enforcement Policy****AGENCY:** Food and Drug Administration, HHS.**ACTION:** Notice.

**SUMMARY:** The Food and Drug Administration (FDA) is announcing an enforcement policy allowing over-the-counter (OTC) marketing of external analgesic drug products containing above 0.5 percent up to 1 percent hydrocortisone or its hydrocortisone acetate equivalent. The OTC marketing of such drug products is being permitted pending establishment under the OTC drug review of a final monograph covering external analgesic drug products. FDA anticipates that external analgesic drug products containing above 0.5 up to 1 percent hydrocortisone or its hydrocortisone acetate equivalent will be determined to be generally recognized as safe and effective and not misbranded.

**EFFECTIVE DATE:** The enforcement policy is effective August 30, 1991.

**ADDRESSES:** Written comments to the Dockets Management Branch (HFA-305), Food and Drug Administration, rm. 1-23, 12420 Parklawn Dr., Rockville, MD 20857.

**FOR FURTHER INFORMATION CONTACT:** William E. Gilbertson, Center for Drug Evaluation and Research (HFD-210), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-295-8000.

**SUPPLEMENTARY INFORMATION:** In an amendment of the tentative final monograph for OTC external analgesic drug products, published in the *Federal Register* of February 27, 1990 [55 FR 6932], FDA proposed conditions under which products containing hydrocortisone or its hydrocortisone acetate equivalent above 0.5 percent up to 1 percent could be marketed OTC. This proposal was based on an evaluation of available data and submitted studies supporting general recognition of the safety and effectiveness of topical hydrocortisone for such use. The studies have been placed in the Dockets Management Branch (address above) and may be seen there by interested persons.

The agency also invited public comment on the proposed change in marketing status that would switch

hydrocortisone above 0.5 percent up to 1 percent from its current status as a prescription drug to OTC status. The agency proposal did not allow OTC marketing to begin at the time of publication of the amendment of the tentative final monograph. The agency referred to the *Federal Register* of June 3, 1983 (48 FR 24925), in which FDA explained the enforcement policy for drugs that were originally on prescription status but which were being proposed for OTC marketing under the OTC drug review. As noted there, 21 CFR 330.13 permits OTC marketing of a drug previously limited to prescription use prior to publication of a final monograph provided that certain conditions are met. To qualify for such treatment, the drug must at a minimum have been considered by an OTC drug advisory review panel and either been recommended for OTC marketing by the panel or subsequently determined by FDA to be suitable for OTC marketing. Hydrocortisone was evaluated by the Advisory Review Panel on OTC Topical Analgesic, Antirheumatic, Otic, Burn, and Sunburn Prevention and Treatment Drug Products (the Panel) in its consideration of the prescription-to-OTC switch of hydrocortisone preparations, but the Panel recommended limiting the concentration for OTC use to 0.25 to 0.5 percent (December 4, 1979, 44 FR 69768 at 69813 through 69824).

In response to the proposal to switch above 0.5 up to 1 percent hydrocortisone from prescription to OTC status, eight drug manufacturers, numerous health professionals, one manufacturer's association, one law firm, and three health professional associations submitted comments. There was one request for an oral hearing from the American Academy of Dermatology (Ref. 1). In a subsequent letter, the Academy withdrew its request for a hearing, stating that its Board of Directors had taken definitive action not to oppose the switch (Ref. 2). Copies of the comments are on public display in the Dockets Management Branch.

After carefully reviewing all of the comments received, the agency is issuing a notice of enforcement policy permitting OTC marketing of above 0.5 up to 1 percent hydrocortisone or its hydrocortisone acetate equivalent for topical use prior to publication of the final monograph for OTC external analgesic drug products. This decision is based on extensive supportive safety and effectiveness data, and the following facts: (1) The majority of the comments, both for and against the proposal, were of a testimonial nature without substantive data; (2) many of the comments opposed to the proposal

misunderstood that the proposed indication for OTC use was limited to temporary use to relieve the itching associated with minor skin irritation and rashes due to specific limited causes listed in the proposed monograph and the drug was not to be labeled for the treatment or cure of any skin disease with symptoms of itching; (3) no information not previously known by the agency was provided by the comments; and (4) the objections and concerns regarding the current proposal are the same or similar to those raised when 0.25 to 0.5 percent hydrocortisone was originally proposed for OTC use. Those objections and concerns have been disproven by the available scientific and medical evidence and a history of safe marketing of 0.25 to 0.5 percent hydrocortisone during 9 years of OTC use as well as years of safe use experience of 1 percent hydrocortisone as a prescription drug.

The agency addressed the safety, effectiveness, and labeling concerns expressed by the comments in the amendment of the external analgesic tentative final monograph proposing OTC status for above 0.5 up to 1 percent hydrocortisone (55 FR 6932). Based on the comments received in response to the proposal, the agency is revising the proposed label warning on the 7-day use limitation from "Do not use this or any other \* \* \* to read, " \* \* \* stop use of this product and do not begin use \* \* \* " (see below). With this revision, the agency believes there are no unresolved safety or effectiveness issues relating to the OTC use of above 0.5 up to 1 percent hydrocortisone as an antipruritic (anti-itch) external analgesic. Accordingly, the agency has determined that it would be inappropriate to continue to bar the interim marketing of such products. The agency's enforcement policy, which is set out in § 330.13, relating to OTC marketing of drug products containing certain ingredients that are under consideration in FDA's review of OTC drugs makes it clear that FDA may by notice in the *Federal Register* permit interim marketing of products such as hydrocortisone above 0.5 up to 1 percent. The agency advises that any drug product intended for OTC use as an antipruritic external analgesic that contains above 0.5 up to 1 percent hydrocortisone or its hydrocortisone acetate equivalent may be marketed pending issuance of the final monograph, subject to the risk that the agency may, in the final monograph, adopt a different position that could require relabeling, recall, or other regulatory action. Marketing of such products with labeling not in accord



with the labeling proposed in the amended tentative final monograph and this notice also may result in regulatory action against the product, the marketer, or both.

The labeling for OTC hydrocortisone products proposed in the amended tentative final monograph, as revised, is stated below. This labeling is required for marketing any OTC drug product containing above 0.5 up to 1 percent hydrocortisone or its hydrocortisone acetate equivalent. Also, as indicated in the amendment (55 FR 6932 at 6945 and 6946), the same labeling should apply to all OTC concentrations of hydrocortisone, ranging from 0.25 to 1.0 percent. The agency encourages manufacturers to revise the labeling of the currently marketed lower concentrations (0.25 to 0.5 percent) as soon as possible. The following labeling is to be used for all OTC drug products containing hydrocortisone or its hydrocortisone acetate equivalent:

**Statement of Identity:** "Antipruritic (anti-itch)," "anti-itch," "antipruritic (anti-itch) (insert dosage form, e.g., cream, lotion, ointment, or spray)," or "anti-itch (insert dosage form, e.g., cream, lotion, or spray)."

**Indications:** One of the following should be used: (1) "For the temporary relief of itching associated with minor skin irritations and rashes" [which may be followed by "due to" (select one or more of the following: "eczema," "insect bites," "poison ivy, poison oak, or poison sumac," "soaps," "detergents," "cosmetics," "jewelry," "seborrheic dermatitis," "psoriasis,") and/or ("and for external" (select one or more of the following: "genital," "feminine," and "anal") "itching"); or (2) "For the temporary relief of itching associated with minor skin irritations, inflammation, and rashes due to" (select one or more of the following: "eczema," "insect bites," "poison ivy, poison oak, or poison sumac," "soaps," "detergents," "cosmetics," "jewelry," "seborrheic dermatitis," "psoriasis,") and/or ("and for external" (select one or more of the following: "genital," "feminine," and "anal") "itching").

In addition, the indications section must include the following statement: "Other uses of this product should be only under the advice and supervision of a" (select one of the following: "physician" or "doctor").

**Warnings:** "For external use only. Avoid contact with the eyes. If condition worsens, or if symptoms persist for more than 7 days or clear up and occur again within a few days, stop use of this product and do not begin use of any other hydrocortisone product unless you have consulted a" (select one of the

following: "physician" or "doctor"). "Do not use for the treatment of diaper rash. Consult a" (select one of the following: "physician" or "doctor").

If the product is labeled with the indications "for external genital itching" or "for external feminine itching," the warnings must include the statement "Do not use if you have a vaginal discharge. Consult a" (select one of the following: "physician" or "doctor"). If the product is labeled with the indication "for external anal itching," the warnings must include the following statements: "Do not exceed the recommended daily dosage unless directed by a doctor. In case of bleeding, consult a doctor promptly. Do not put this product into the rectum by using fingers or any mechanical device or applicator." (The word "physician" may be substituted for the word "doctor" in these statements.)

**Directions:** Adults and children 2 years of age and older: Apply to affected area not more than 3 to 4 times daily. Children under 2 years of age: Do not use, consult a (select one of the following: physician or doctor).

If the product is labeled with the indication "for external anal itching," the directions must include the following statements: "Adults: When practical, cleanse the affected area" (selected one or both of the following: "with mild soap and warm water and rinse thoroughly" or "by patting or blotting with an appropriate cleansing pad"). "Gently dry by patting or blotting with toilet tissue or a soft cloth before application of this product." (Other appropriate directions in this section may be inserted here.) "Children under 12 years of age: consult a" (select one of the following: "physician" or "doctor").

The final monograph for OTC external analgesic drug products, when published, will establish the final labeling that will be required for all OTC drug products that contain hydrocortisone.

#### References

- (1) Comment No. HER1, Docket No. 78N-301H, Dockets Management Branch.
- (2) Comment No. WDL1, Docket No. 78N-301H, Dockets Management Branch.

Interested persons may submit written comments to the Dockets Management Branch (address above). Such comments will be considered in determining whether further amendments to or revisions of this policy are warranted. Three copies of all comments shall be submitted, except that individuals may submit single copies. Comments are to be identified with the docket number found in brackets in the heading of this document. Received comments may be

seen in the Dockets Management Branch between 9 a.m. and 4 p.m., Monday through Friday.

Dated: August 14, 1991.

Michael R. Taylor,

Deputy Commissioner for Policy.

[FR Doc. 91-20834 Filed 8-29-91; 8:45 am]

BILLING CODE 4160-01-M

[Docket No. 91N-0318]

#### Human Organ and Tissue Transplantation; Public Hearing

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice of public hearing; requests for comments.

**SUMMARY:** The Food and Drug Administration (FDA), with the concurrence of the Health Resources and Services Administration (HRSA), the National Institutes of Health (NIH), the Centers for Disease Control (CDC), and the Health Care Financing Administration (HCFA), is announcing a public hearing to solicit information and views of interested persons on the need to expand the Federal regulation of organ and tissue transplantation. The information from this public hearing will be used to evaluate whether and how the Federal government should develop a new regulatory program to address aspects of this industry.

**DATES:** Written notices of participation should be filed by September 30, 1991. The hearing will begin at 9 a.m. on October 16, 1991. The record will remain open for 15 days following the hearing, by which time any additional written material must be submitted.

**ADDRESSES:** The public hearing will be held at the Jack Masur Auditorium, Warren Grant Magnuson Clinical Center, Bldg. 10, National Institutes of Health, 9000 Rockville Pike, Bethesda, MD 20892. Written notices of participation and any comments are to be sent to the Dockets Management Branch (HFA-305), Food and Drug Administration, rm. 1-23, 12420 Parklawn Dr., Rockville, MD 20857. Transcripts of the hearing, copies of data and information submitted during the hearing, and any written comments will be available for review at the Dockets Management Branch (address above).

**FOR FURTHER INFORMATION CONTACT:** Nicholas P. Reuter, Office of the Associate Commissioner for Health Affairs (HFY-20), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-443-1382.



**SUPPLEMENTARY INFORMATION:****I. Background**

Organ and tissue transplantation in the United States is well established and widespread. In 1990, about 4,500 donors contributed approximately 15,000 solid organs—hearts, livers, kidneys, lungs, and pancreata—to transplantations performed in 261 transplant centers. In addition, up to 300,000 nonsolid organ tissue allografts (corneas, skin, bones, bone marrow, etc.) were performed. About 3.6 million people received blood or blood products.

Since the early 1980's there has been increasing concern about the potential of transmitting HIV, the AIDS virus, through organ and tissue transplantation. Because blood is a primary carrier of HIV, and the most frequently transferred human tissue, great efforts have been made to ensure the safety of the nation's blood supply. These efforts, ongoing and continually improved upon, are highly successful.

A recent instance identifying transmission of HIV through transplantation has focused attention on other organ and tissue transplantation procedures. Solid organs and other human tissues have the potential to transmit HIV and other infectious agents from donors to recipients. There have been questions raised, both by government agencies and by the medical community, as to whether efforts directed toward preventing the spread of infectious diseases through organ and tissue transplantations have been appropriately vigorous.

At the request of the Assistant Secretary for Health, a Public Health Service (PHS) Workgroup on Organ and Tissue Transplantation (the Workgroup) has completed a review of the many Federal, State, and private agencies and organizations which have regulatory or supervisory responsibility for organ and tissue transplantation. The Workgroup examined the present transplantation universe, current HIV control procedures, and the responsibilities of the various Federal, State, and private organizations involved in all aspects of the nation's transplantation network. The Workgroup's review resulted in a comprehensive assessment report that is available for review at the Dockets Management Branch (address above). The Workgroup concluded that the risk of transmitting HIV through organ or tissue transplantation is very small.

However, in its report the Workgroup identified a number of areas of concern:

1. Current methods of screening and testing potential organ and tissue donors could be improved to possibly further

reduce the risk of transmission of infectious diseases through transplantation.

2. More effort is needed to evaluate and confirm the effectiveness of the irradiation and chemical treatment of processed tissue in eliminating infectious agents. Solid organs and many tissues cannot be so treated without rendering them unusable.

3. There could be ways of improving the early identification and reporting of disease transmission through organ or tissue transplantation.

4. Current recordkeeping systems could be modified to help ensure that in all cases adequate records are kept to enable recall of potentially infectious tissues that have been distributed but not yet transplanted and to enable notification of recipients that may have received infected transplants (look-back procedures).

5. Current government regulations do not encompass all organ and tissue processes. There are not uniform requirements governing all the various facets of transplantation related to public health concerns.

The Workgroup identified a number of recommendations relating to possible changes in PHS oversight of organ and tissue transplantation. These recommendations relate to additional Federal guidelines on donor screening and recordkeeping requirements, modifications to case reporting systems, and research areas. Some of these recommendations have already been implemented.

An additional report recommendation calls for PHS to evaluate whether there should be specific additional Federal regulations governing aspects of organ and tissue transplantation or whether the Federal government should continue to rely on voluntary compliance with standards along with State and local government regulation. Federal regulations could include a minimum floor of requirements promulgated under section 361 of the Public Health Service Act to control the spread of communicable disease with respect to all human tissues and organs. Regulations could focus on registration, donor screening, and recordkeeping requirements, with accompanying inspections and enforcement.

PHS is seeking information to aid its evaluation of whether there should be specific additional Federal regulations that pertain to selected aspects of organ and tissue transplantation. PHS believes that it is important to obtain and evaluate information on this topic from a variety of sources, including tissue and organ transplantation organizations and the general public. A public hearing

conducted under FDA's administrative procedures set forth at 21 CFR part 15 is an appropriate forum for obtaining the necessary information.

**II. Public Hearing Topics**

In order to promote a more useful discussion at the public hearing, the PHS Workgroup developed the following list of questions and issues. This list is not intended to be exclusive, and presentations and comments on other issues related to the Federal regulation of organ and tissue transplantation are encouraged.

1. What changes, if any, should be made in current systems:

(a) For testing and screening organ and tissue donors for infectious disease?

(b) For testing organ and tissue recipients for infectious disease?

(c) For reporting disease transmission through transplantation?

(d) For facilitating recall of tissues from donors subsequently identified as having an infectious disease?

(e) For facilitating notification of recipients of potentially infected organs or tissues (look-back procedures)?

2. (a) What, if any additional level of Federal regulation of organ and tissue transplantation would be appropriate?

(b) What are the essential of an effective Federal regulatory program governing organs and tissues?

(c) Should there be Federal regulations setting forth minimum requirements governing organs and tissues? If so, what should such minimum requirements include (e.g., requirements for donor screening, recordkeeping, facility registration)?

(d) Should solid organs, tissues, and processed cells for transplantation all be regulated? If so, should they be subject to the same minimum requirements?

3. (a) Which organizations, institutions, or individuals engaging in some aspect of organ or tissue transplantation should be regulated?

(b) What is a practical definition of "tissue bank?" Should tissue banks be regulated?

4. (a) Which legal authorities should be relied upon for any additional regulation of organs or tissues?

(b) Which Federal agency or agencies should be responsible for additional regulation?

5. (a) Should the Federal Government support a tissue procurement network similar to the existing organ procurement network?

(b) Should there be a central registry that tracks all tissues from donor to recipient similar to the registry now in place for organs?

(c) What should the relationship be between organ procurement organizations and tissue banks regarding the notification of infection in allograft recipients? Should the Federal Government regulate this relationship?

6. (a) Without additional Federal regulations, what should be considered "acceptable compliance" with voluntary standards?

(b) What are the anticipated benefits of additional Federal regulation?

(c) Will an additional level of Federal regulation significantly reduce the risks associated with transplantation procedures?

7. (a) What are the anticipated direct and indirect financial and other costs of Federal regulation of tissues?

(b) What factors are appropriate to consider in evaluating the costs and benefits of Federal regulation of tissues?

### III. Scope of Hearing

PHS agencies and HCFA have a number of ongoing rulemaking activities that relate to organ and tissue transplantations. These activities will continue under their respective statutory authorities and public comment will be solicited in the context of those specific proceedings. To the extent that any information derived from the public hearing described by this notice is relevant to those rulemaking proceedings, the agencies will consider that information as appropriate. The public is advised, however, that the scope of this public hearing is defined by this notice. The specific regulatory issues raised by any of the rulemaking proceedings underway should be addressed in those contexts and not as part of this hearing.

### IV. Notice of Hearing Under 21 CFR Part 15

As discussed above, PHS believes the format and procedures of public hearing at which interested persons can testify will best elicit the information needed for the current PHS evaluation regarding additional regulation of organs and tissues. Accordingly, the Commissioner of Food and Drugs, with the concurrence of the agencies listed above, is announcing a public hearing under 21 CFR part 15.

The presiding officer will be Stuart L. Nightingale, Associate Commissioner for Health Affairs, Food and Drug Administration. The presiding officer will be accompanied by a panel of FDA, HRSA, CDC, NIH, HCFA, and other Health and Human Services employees

with the relevant expertise. The procedures governing the hearing are found at 21 CFR part 15.

Persons who wish to participate are requested to file a notice of participation with the Dockets Management Branch (address above) on or before September 30, 1991. To ensure timely handling, any outer envelope should be clearly marked with Docket No. 91N-0318, and the statement "Tissue and Organ Transplantation Hearing." The notice of participation should contain the interested person's name, address, telephone number, any business or organizational affiliation of the person desiring to make a presentation, a brief summary of the presentation, and the approximate time requested for the presentation. FDA may ask that groups having similar interests consolidate their comments as part of a panel. FDA will allocate the time available for the hearing among the persons who properly file notices of participation. If time permits, FDA may allow interested persons attending the hearing who did not submit a notice of participation in advance to make an oral presentation at the conclusion of the hearing.

Persons who find that there is insufficient time to submit the required information in writing may give oral notice of participation by calling Nicholas Reuter (telephone number above) no later than September 30, 1991. Those persons who give oral notice of participation should also submit written notice containing the information described above to the Dockets Management Branch by the close of business October 3, 1991.

After reviewing the notices of participation and accompanying information, FDA will schedule each appearance and notify each participant by mail or telephone of the time allotted to the persons and the approximate time the person's oral presentation is scheduled to begin. The hearing schedule will be available at the hearing, and after the hearing it will be placed on file in the Dockets Management Branch under Docket No. 91N-0318.

To provide time for all interested persons to submit data, information, or views on this subject, the administrative record of the hearing will remain open for 15 days following the hearing. Persons who wish to provide additional materials for consideration are to file these materials with the Dockets Management Branch.

The hearing is informal, and the rules of evidence do not apply. No participant may interrupt the presentation of another participant. Only the presiding officers and panel members may question any person during or at the conclusion of their presentation.

Public hearings, including hearings under part 15, are subject to FDA's guideline (subpart C in 21 CFR part 10) concerning the policy and procedures for electronic media coverage of FDA's public administrative proceedings. Under 21 CFR 10.205, representatives of the electronic media may be permitted, subject to certain limitations, to videotape, film, or otherwise record FDA's public administrative proceedings, including presentations by participants.

To the extent that the conditions for the hearing, as described in this notice, conflict with any provisions set out in part 15, this notice acts as a waiver of those provisions as specified in 21 CFR 15.30(h).

Dated: August 27, 1991.

Michael R. Taylor,

Deputy Commissioner for Policy.

[FR Doc. 91-20835 Filed 8-29-91; 8:45 am]

BILLING CODE 4160-01-W

### Health Resources and Services Administration

#### Advisory Council; Meeting

In accordance with section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), announcement is made of the following National Advisory bodies scheduled to meet during the month of September 1991:

*Name:* HRSA AIDS Advisory Committee.

*Time:* September 25-26, 1991, 9 a.m.

*Place:* Conference room #6, Building 31, National Institute of Health, Bethesda, Maryland.

The meeting is open to the public.

*Purpose:* The Committee advises the Secretary with respect to health professional education, patient care/health care delivery to HIV-infected individuals, and research relating to transmission, prevention and treatment of HIV infection.

*Agenda:* Discussions will be held concerning activities being implemented by HRSA under the Ryan White Comprehensive AIDS Resources Emergency (CARE) Act; the status of recommendations made by the Committee at its April 1991 meeting, and presentations and discussion that will

focus on issues related to HIV Infected Health Care Workers.

Anyone requiring information regarding the subject Committee should contact Dr. Samuel C. Matheny, Executive Secretary, HRSA AIDS Advisory Committee, Health Resources and Services Administration, room 14A-21, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, Telephone (301) 443-4588.

*Name:* National Advisory Council on the National Health Service Corps.

*Date and Time:* September 26-29, 1991, 4 p.m.-6 p.m.

*Place:* Radisson Hotel, One Thomas Wolfe Plaza, Asheville, North Carolina 28801-3071.

The meeting is open to the public.

*Purpose:* The Council will advise and make appropriate recommendations on the National Health Service Corps (NHSC) program as mandated by legislation. It will also review and comment on proposed regulations promulgated by the Secretary under provision of the legislation.

*Agenda:* The agenda will include a Bureau, Division and Region IV update; discussions on the State Loan Repayment Program; Professional Placement Policies and Strategies. The Council will be addressed by the Director of Allied Health and Chair of the Statewide Task Force on Minority Recruitment in Health Professions; and members of the Hot Springs Health Program. Also, a panel will discuss Rural Health Initiatives—Decreasing Professional Isolation.

The meeting will begin on Thursday at 4 p.m. and adjourn at 6:30 p.m. On Friday, the Council will leave the hotel via bus at 7:45 a.m. to make site visits to the University of North Carolina; the Cherokee Indian Reservation; and the Hendersonville Community Health Center. The Council will continue their business meeting on Saturday 8:30 a.m. and adjourn at 5 p.m. Sunday, the meeting will begin at 8:30 a.m. and adjourn at 1:30 p.m.

The meeting is open to the public, however, no transportation will be provided to the site visits.

Anyone requiring information regarding the subject Council should contact Anna Mae Voigt, National Advisory Council on the National Health Service Corps, room 7A-39, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, Telephone (301) 443-1470.

Agenda Items are subject to change as priorities dictate.

Dated: August 28, 1991.

Jackie E. Baum,  
Advisory Committee Management Officer,  
HRSA.

[FR Doc. 91-20926 Filed 8-29-91; 8:45 am]

BILLING CODE 4160-15-M

## Social Security Administration

### Agency Forms Submitted to the Office of Management and Budget for Clearance

Each Friday the Social Security Administration publishes a list of information collection packages that have been submitted to the Office of Management and Budget (OMB) for clearance in compliance with Public Law 96-511, The Paperwork Reduction Act. The following clearance packages have been submitted to OMB since the last list was published in the *Federal Register* on August 23, 1991.

(Call Reports Clearance Officer on (301) 965-4149 for copies of package)

Questionnaire For Children Claiming SSI Benefits—0960-0050—The information collected on the form SSA-3881 will be used by the Social Security Administration to determine whether or not a disabled child meets the standard for Supplemental Security Income (SSI) payments under the criteria set forth in the Zebley court decision. The affected public is comprised of individuals i.e., the parent or legal guardian of the disabled child.

*Number of Respondents:* 276,000.

*Frequency of Response:* 1.

*Average Burden Per Response:* 15 minutes.

*Estimated Annual Burden:* 69,000.

*OMB Desk Officer:* Laura Oliven.

Written comments and recommendations regarding these information collections should be sent directly to the appropriate OMB Desk Officer designated above at the following address: OMB Reports Management Branch, New Executive Office Building, room 3208, Washington, DC 20503.

Dated: August 23, 1991.

Ron Compston,  
Social Security Administration, Reports  
Clearance Officer.

[FR Doc. 91-20709 Filed 8-29-91; 8:45 am]

BILLING CODE 4190-01-M

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

### Office of the Assistant Secretary for Community Planning and Development

[Docket No. N-91-1917; FR-2934-N-41]

### Federal Property Suitable as Facilities to Assist the Homeless

**AGENCY:** Office of the Assistant Secretary for Community Planning and Development, HUD.

**ACTION:** Notice.

**SUMMARY:** This Notice identifies unutilized, underutilized, excess, and surplus Federal property reviewed by HUD for suitability for possible use to assist the homeless.

**ADDRESSES:** For further information, contact James N. Forsberg, room 7262, Department of Housing and Urban Development, 451 Seventh Street SW., Washington, DC 20410; telephone (202) 708-4300; TDD number for the hearing- and speech-impaired (202) 708-2568 (these telephone numbers are not toll-free), or call the toll-free title V information line at 1-800-927-7588.

**SUPPLEMENTARY INFORMATION:** In accordance with 24 CFR part 581 and section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411), as amended, HUD is publishing this notice to identify Federal buildings and other real property that HUD has reviewed for suitability for use to assist the homeless. The properties were reviewed using information provided to HUD by Federal landholding agencies regarding unutilized and underutilized buildings and real property controlled by such agencies or by GSA regarding its inventory of excess or surplus Federal property. This Notice is also published in order to comply with the December 12, 1988 Court Order in *National Coalition for the Homeless v. Veterans Administration*, No. 88-2503-OG (D.D.C.).

Properties reviewed are listed in this Notice according to the following categories: Suitable/available, suitable/unavailable, suitable/to be excess, and unsuitable. The properties listed in the three suitable categories have been reviewed by the landholding agencies, and each agency has transmitted to HUD: (1) Its intention to make the property available for use to assist the homeless, (2) its intention to declare the property excess to the agency's needs, or (3) a statement of the reasons that the property cannot be declared excess or

made available for use as facilities to assist the homeless.

Properties listed as suitable/available will be available exclusively for homeless use for a period of 60 days from the date of this Notice. Homeless assistance providers interested in any such property should send a written expression of interest to HHS, addressed to Judy Breitman, Division of Health Facilities Planning, U.S. Public Health Service, HHS, room 17A-10, 5600 Fishers Lane, Rockville, MD 20857; (301) 443-2265. (This is not a toll-free number.) HHS will mail to the interested provider an application packet, which will include instructions for completing the application. In order to maximize the opportunity to utilize a suitable property, providers should submit their written expressions of interest as soon as possible. For complete details concerning the processing of applications, the reader is encouraged to refer to the interim rule governing this program, 56 FR 23789 (May 24, 1991).

For properties listed in suitable/to be excess, that property may, if subsequently accepted as excess by GSA, be made available for use by the homeless in accordance with applicable law, subject to screening for other Federal use. At the appropriate time, HUD will publish the property in a Notice showing it as either suitable/available or suitable/unavailable.

For properties listed as suitable/unavailable, the landholding agency has decided that the property cannot be declared excess or made available for use to assist the homeless, and the property will not be available.

Properties listed as unsuitable will not be made available for any other purpose for 20 days from the date of this Notice. Homeless assistance providers interested in a review by HUD of the determination of unsuitability should call the toll free information line at 1-800-927-7568 for detailed instructions or write a letter to James N. Forsberg at the address listed at the beginning of this Notice. Included in the request for review should be the property address (including zip code), the date of publication in the Federal Register, the landholding agency, and the property number.

For more information regarding particular properties identified in this Notice (i.e., acreage, floor plan, existing sanitary facilities, exact street address), providers should contact the appropriate landholding agencies at the following addresses: Dept. of Interior: Lola D. Knight, Property Management Specialist, Dept. of Interior, 1849 C St., NW, Mailstop 5512-MB, Washington, DC 20240; (202) 208-4080; U.S. Navy: John J. Kane, Deputy Division Director, Dept. of

Navy, Real Estate Operations, Naval Facilities Engineering Command, 200 Stovall Street, Alexandria, VA 22332-2300; (202) 325-0474; Dept of Transportation: Angelo Picillo, Deputy Director, Administrative Services & Property Management, DOT, 400 Seventh St., SW., room 10317, Washington, DC 20590; (202) 368-5601. (These are not toll-free numbers.)

Dated: August 23, 1991.

Paul Roitman Bardack,  
Deputy Assistant Secretary for Economic Development.

#### *Suitable/Available Properties*

##### *Buildings (by State)*

###### *Maryland*

Bldgs. 738-797  
Naval Air Test Center  
Patuxent River Co: St. Mary's MD 20607-  
Landholding Agency: Navy  
Property Numbers: 77901030-779010090,  
779010092, 779010093, 779010095-779010096,  
779010098, 779010100, 779010102-779010106,  
779010108, 779010113, 779010115-779010118,  
779010118-779010119, 779010121, 779010122,  
779010124-779010125, 779010127,  
779010129-779010155

Status: Unutilized

Comment: One story residential buildings; utilities disconnected; needs rehab; requires alternate access off state highway. Friable asbestos present.

###### *Maine*

Naval Air Station  
Transmitter Site  
Old Bath Road  
Brunswick Co: Cumberland ME 04053-  
Landholding Agency: Navy  
Property Number: 779010110  
Status: Underutilized  
Comment: 7,270 sq ft., 1 story bldg, most recent use—storage, structural deficiencies.

###### *New Mexico*

Bldg. 1 and 4  
U.S. Navy Reserve Center  
512 N 12th Street  
Carlsbad Co: Eddy NM 88220-3046  
Landholding Agency: Navy  
Property Number: 779040001  
Status: Excess  
Comment: 2460 sq. ft.; one story; frame/concrete block bldg; most recent use—office; presence of asbestos; and 152 sq. ft. metal storage shed on 1.03 acres.

###### *Virginia*

Naval Medical Clinic  
6500 Hampton Blvd.  
Norfolk Co: Norfolk VA 23508-  
Landholding Agency: Navy  
Property Number: 779010109  
Status: Unutilized  
Comment: 3665 sq ft., 1 story, possible asbestos, most recent use—laundry.

##### *Land (by State)*

###### *Georgia*

Naval Submarine Base  
Grid R-2 to R-3 to V-4 to V-1  
Kings Bay Co: Camden GA 31547-  
Landholding Agency: Navy

Property Number: 779010229

Status: Underutilized

Comment: 111.57 acres; areas may be environmentally protected; secured area with alternate access.

###### *Maine*

Naval Air Station  
Transmitter Site  
Old Bath Road  
Brunswick Co: Cumberland ME 04053-  
Landholding Agency: Navy  
Property Number: 779010111  
Status: Underutilized  
Comment: 66.13 acres, most recent use—transmitter station.

###### *Texas*

Peary Point #2  
Naval Air Station  
Corpus Christi Co: Nueces TX 78419-5000  
Landholding Agency: Navy  
Property Number: 779030001  
Status: Excess  
Comment: 43.48 acres; 60% of land under lease until 8/93.  
GSA Number: 7-N-TX-402-V

##### *Suitable/Unavailable Properties*

##### *Buildings (by State)*

###### *California*

Bldg. 8, Coast Guard Island  
USCG Support Center, Alameda  
Alameda Co: Alameda CA 94501-  
Landholding Agency: DOT  
Property Number: 879130005  
Status: Underutilized  
Comment: 16900 sq. ft., 2 story wood frame, most recent use—barracks, needs major rehab, presence of asbestos, off-site use only.

Bldg. 9, Coast Guard Island  
USCG Support Center, Alameda  
Alameda Co: Alameda CA 94501-  
Landholding Agency: DOT  
Property Number: 879130006  
Status: Unutilized  
Comment: 29440 sq. ft., 2 story wood frame, most recent use—office, presence of asbestos, needs major rehab, off-site use only.

###### *New York*

Naval Reserve Center  
112 Hanse Avenue  
Freeport Co: Nassau NY 11550-  
Landholding Agency: Navy  
Property Number: 779010041  
Status: Excess  
Comment: 40000 sq. ft.; 1 floor; most recent use—offices; needs rehab.

###### *Texas*

Bldg. 2435  
Laguna Housing Area  
NAS Corpus Christi  
Corpus Christi Co: Nueces TX 78419-  
Landholding Agency: Navy  
Property Number: 779010161  
Status: Underutilized  
Comment: 1730 sq. ft.; 1 story residence.  
Bldgs. 2436, 2424, 2433, 2428  
Laguna Housing Area  
NAS Corpus Christi  
Corpus Christi Co: Nueces TX 78419-

Landholding Agency: Navy  
Property Numbers: 779010162, 779010181-  
779010183

Status: Underutilized  
Comment: 3352 sq. ft. each; 1 story  
residences.

Bldgs. 2460, 2462, 2464, 2468, 2472, 2476, 2451,  
2458, 2461, 2473, 2478, 2480, 2484, 2486-2488,  
2494, 2500, 2502, 2506, 2508, 2525

Laguna Housing Area

NAS Corpus Christi

Corpus Christi Co: Nueces TX 78419-

Landholding Agency: Navy

Property Numbers: 779010163-779010165,

779010168-779010170, 779010193-779010208

Status: Underutilized

Comment: 1758 sq. ft. each; 1 story  
residences.

Bldg. 2466

Laguna Housing Area

NAS Corpus Christi

Corpus Christi Co: Nueces TX 78419-

Landholding Agency: Navy

Property Numbers: 779010166

Status: Underutilized

Comment: 1576 sq. ft.; 1 story residence.

Bldgs. 2467, 2423, 2427, 2431

Laguna Housing Area

NAS Corpus Christi

Corpus Christi Co: Nueces TX 78419-

Landholding Agency: Navy

Property Numbers: 779010167, 779010178-

779010180

Status: Underutilized

Comment: 3532 sq. ft. each; 1 story  
residences.

Bldgs. 2482, 2495

Laguna Housing Area

NAS Corpus Christi

Corpus Christi Co: Nueces TX 78419-

Landholding Agency: Navy

Property Numbers: 779010171-779010172

Status: Underutilized

Comment: 1760 sq. ft. each; 1 story  
residences.

Bldg. 2514

Laguna Housing Area

NAS Corpus Christi

Corpus Christi Co: Nueces TX 78419-

Landholding Agency: Navy

Property Number: 779010173

Status: Underutilized

Comment: 1730 sq. ft.; 1 story residence.

Bldgs. 2518, 2520, 2522, 2526, 2509, 2511, 2512,  
2527

Laguna Housing Area

NAS Corpus Christi

Corpus Christi Co: Nueces TX 78419-

Landholding Agency: Navy

Property Numbers: 779010174-779010177,

779010224-779010227

Status: Underutilized

Comment: 1676 sq. ft. each; 1 story  
residences.

Bldgs. 2429, 2454, 2477, 2485, 2499, 2503, 2507,  
2513, 2521

Laguna Housing Area

NAS Corpus Christi

Corpus Christi Co: Nueces TX 78419-

Landholding Agency: Navy

Property Numbers: 779010184-779010182

Status: Underutilized

Comment: 3152 sq. ft. each; 1 story  
residences.

Bldgs. 2452, 2475, 2479, 2497, 2501, 2505, 2515,  
2517, 2519, 2523

Laguna Housing Area

NAS Corpus Christi

Corpus Christi Co: Nueces TX 78419-

Landholding Agency: Navy

Property Numbers: 779010209-779010218

Status: Underutilized

Comment: 3356 sq. ft. each; 1 story  
residences.

Bldgs. 2465, 2493, 2510

Laguna Housing Area

NAS Corpus Christi

Corpus Christi Co: Nueces TX 78419-

Landholding Agency: Navy

Property Numbers: 779010219-779010221

Status: Underutilized

Comment: 1576 sq. ft. each; 1 story  
residences.

Bldgs. 2474, 2481

Laguna Housing Area

NAS Corpus Christi

Corpus Christi Co: Nueces TX 78419-

Landholding Agency: Navy

Property Numbers: 779010222, 779010223

Status: Underutilized

Comment: 3528 sq. ft. each; 1 story  
residences.

Washington

Naval Station Puget Sound

7500 Sand Point Way, NE

Seattle Co: King WA 98115-

Landholding Agency: Navy

Property Number: 779120002

Status: Excess

Base closure

Comment: 144 sq. ft. ammunition bunker,  
most recent use-storage, secured area with  
alternate access.

West Virginia

Naval & Marine Corps Res. Ctr.

N. 13th St & Ohio River

Wheeling Co: Ohio WV 26003-

Landholding Agency: Navy

Property Number: 779010077

Status: Excess

Comment: 32000 sq. ft.; 1 floor; most recent  
use-offices; 15% of total space occupied;  
needs rehab; land leased from city—  
expires September 1990.

Land (by State)

Florida

Naval Public Works Center

Naval Air Station

Pensacola Co: Escambia FL 32508-

Location: Southeast corner of Corey station—

next to family housing.

Landholding Agency: Navy

Property Number: 779010157

Status: Unutilized

Comment: 22 acres

Georgia

Naval Submarine Base

Grid AA-1 to AA-4 to EE-7 to FF-2

Kings Bay Co: Camden GA 31547-

Landholding Agency: Navy

Property Number: 779010255

Status: Underutilized

Comment: 495 acres; 86 acre portion located  
in floodway; secured area with alternate  
access.

Virginia

Naval Base

Norfolk Co: Norfolk VA 23508-

Location: Northeast corner of base, near

Willoughby housing area.

Landholding Agency: Navy

Property Number: 779010156

Status: Unutilized

Comment: 60 acres; most recent use—sandpit;  
secured area with alternate access.

*Suitable/To Be Excess*

*Buildings (by State)*

California

Bldg. 100

Naval Facilities Point Sur

CVB Detachment

Monterey Co: Monterey CA 93940-

Landholding Agency: Navy

Property Number: 779010259

Status: Unutilized

Comment: 2628 sq. ft.; 1 story permanent bldg;  
possible asbestos; secure facility with  
alternate access; use—office space.

Bldg. 102

Naval Facilities Point Sur

CVB Detachment

Monterey Co: Monterey CA 93940-

Landholding Agency: Navy

Property Number: 779010260

Status: Unutilized

Comment: 580 sq. ft.; 1 story permanent bldg;  
possible asbestos; secure facility with  
alternate access; most recent use—office.

Bldg. 103

Naval Facilities Point Sur

CVB Detachment

Monterey Co: Monterey CA 93940-

Landholding Agency: Navy

Property Number: 779010261

Status: Unutilized

Comment: 3675 sq. ft.; 1 story permanent bldg;  
possible asbestos; secure facility with  
alternate access; most recent use—dining  
hall.

Bldg. 109

Naval Facilities Point Sur

CVB Detachment

Monterey Co: Monterey CA 93940-

Landholding Agency: Navy

Property Number: 779010262

Status: Unutilized

Comment: 1045 sq. ft.; 2 story permanent bldg;  
possible asbestos; secure facility with  
alternate access; most recent use—  
barracks.

Bldg. 110

Naval Facilities Point Sur

CVB Detachment

Monterey Co: Monterey CA 93940-

Landholding Agency: Navy

Property Number: 779010263

Status: Unutilized

Comment: 4439 sq. ft.; 1 story permanent bldg;  
possible asbestos; secure facility with  
alternate access; most recent use—shop.

Bldg. 113

Naval Facilities Point Sur

CVB Detachment

Monterey Co: Monterey CA 93940-

Landholding Agency: Navy

Property Number: 779010264

Status: Unutilized

Comment: 100 sq. ft.; 1 story permanent bldg; secured facilities with alternate access; most recent use—storage.

#### Bldg. 138

Naval Facilities Point Sur  
CVB Detachment  
Monterey Co: Monterey CA 93940—  
Landholding Agency: Navy  
Property Number: 779010265  
Status: Unutilized

Comment: 110 sq. ft.; 1 story permanent bldg; possible asbestos; secure facility with alternate access; most recent use—filling station.

#### Bldg. 144

Naval Facilities Point Sur  
CVB Detachment  
Monterey Co: Monterey CA 93940—  
Landholding Agency: Navy  
Property Number: 779010266  
Status: Unutilized

Comment: 4320 sq. ft.; 1 story semi-permanent bldg; possible asbestos; secure facility with alternate access; most recent use—bowling alley.

#### Bldg. 145

Naval Facilities Point Sur  
CVB Detachment  
Monterey Co: Monterey CA 93940—  
Landholding Agency: Navy  
Property Number: 779010267  
Status: Unutilized

Comment: 4000 sq. ft.; 1 story semi-permanent bldg; possible asbestos; secure facility with alternate access; most recent use—recreation building.

#### Land (by State)

##### Illinois

Libertyville Training Site  
Libertyville Co: Lake IL 60048—  
Landholding Agency: Navy  
Property Number: 779010073  
Status: Excess  
Comment: 114 acres; possible radiation hazard; existing FAA use license.

#### Unsuitable Properties

##### Buildings (by State)

##### Alaska

Baler Bldg., Map Grid 55N14  
Naval Air Station  
Adak Co: Adak AK 98791—  
Landholding Agency: Navy  
Property Number: 779120003  
Status: Unutilized  
Reason: Secured Area

Sand Shed, Map Grid 45024  
Naval Air Station  
Adak Co: Adak AK 98791—  
Landholding Agency: Navy  
Property Number: 779120004  
Status: Unutilized  
Reason: Secured Area

Pier #9, Map Grid 55Y1  
Naval Air Station  
Adak Co: Adak AK 98791—  
Landholding Agency: Navy  
Property Number: 779120005  
Status: Unutilized  
Reason: Secured Area

LORAN Station, Map Grid 09L11  
Naval Air Station  
Adak Co: Adak AK 98791—

Landholding Agency: Navy  
Property Number: 779120006  
Status: Unutilized  
Reason: Secured Area  
California

Bldg. 105  
Naval FPS, CVB Detachment  
Monterey Co: Monterey CA 93940—  
Landholding Agency: Navy  
Property Number: 779010159  
Status: Unutilized  
Reason: Within 2000 ft. of flammable or explosive material

Bldg. 165  
Naval FPS, CVB Detachment  
Monterey Co: Monterey CA 93940—  
Landholding Agency: Navy  
Property Number: 779010160  
Status: Unutilized  
Reason: Within 2000 ft. of flammable or explosive material

Bldg. 146  
Naval Facilities Point Sur  
CVB Detachment  
Monterey Co: Monterey CA 93940—  
Landholding Agency: Navy  
Property Number: 779010268  
Status: Unutilized  
Reason: Other  
Comment: sewer treatment facility  
Florida

East Martello Bunker #1  
Naval Air Station  
Key West Co: Monroe FL 33040—  
Landholding Agency: Navy  
Property Number: 779010101  
Status: Excess  
Reason: Within airport runway clear zone  
Georgia

Naval Submarine Base—Kings Bay  
1011 USS Daniel Boone Avenue  
Kings Bay Co: Camden GA 31547—  
Landholding Agency: Navy  
Property Number: 779010107  
Status: Unutilized  
Reason: Secured Area

##### Illinois

Bldg. 928  
Naval Training Center  
Great Lakes  
Great Lakes Co: Lake IL 60088—  
Landholding Agency: Navy  
Property Number: 779010120  
Status: Unutilized  
Reason: Secured Area

Bldg. 28  
Naval Training Center  
Great Lakes  
Great Lakes Co: Lake IL 60088—  
Landholding Agency: Navy  
Property Number: 779010123  
Status: Unutilized  
Reason: Secured Area

Bldg. 25  
Naval Training Center  
Great Lakes  
Great Lakes Co: Lake IL 60088—  
Landholding Agency: Navy  
Property Number: 779010126  
Status: Unutilized  
Reason: Secured Area  
Bldg. 2

Naval Training Center  
Great Lakes  
Great Lakes Co: Lake IL 60088—  
Landholding Agency: Navy  
Property Number: 779010128  
Status: Underutilized  
Reason: Secured Area  
South Wing—Building No. 62  
Great Lakes Co: Lake IL 60088—5000  
Landholding Agency: Navy  
Property Number: 779110001  
Status: Underutilized  
Reason: Secured Area

##### New York

Bldg. 204  
Naval Underwater Systems Center  
Fisher's Island Annex Detachment  
Fisher's Island Co: Suffolk NY 06390—  
Landholding Agency: Navy  
Property Number: 779010270  
Status: Excess  
Reason: Secured Area

Bldg. 255  
Naval Underwater Systems Center  
Fisher's Island Annex Detachment  
Fisher's Island Co: Suffolk NY 06390—  
Landholding Agency: Navy  
Property Number: 779010271  
Status: Excess  
Reason: Secured Area

Bldg. T-370  
Naval Underwater Systems Center  
Fisher's Island Annex Detachment  
Fisher's Island Co: Suffolk NY 06390—  
Landholding Agency: Navy  
Property Number: 779010272  
Status: Excess  
Reason: Secured Area

##### Pennsylvania

Bldg. 62  
Philadelphia Naval Shipyard  
Philadelphia Co: Philadelphia PA 19112—  
Landholding Agency: Navy  
Property Number: 779010112  
Status: Unutilized  
Reason: Within 2000 ft. of flammable or explosive material. Secured Area

##### Rhode Island

Bldgs. S-85, 337, 58, 363, S-121, C101, W319, 368, C102, 43, 44, C103, 102, S-16, 101, S-6, T13 B, W5, 45, C104, 295, 279, C105, C106, 280, A132, C-117, 299, 113, 365, 118, S-8, 375, A-78, A10 CT, C-142, C-115, S-18, 394, 46, S-122, C-118A, T7, B11, S-18A, T2, T3, C110, 111, S-16B, 103, W5A, C-119, 332, S16A, T1, E111, T16 CT, A64, D272, 324, E108, T17, A-68, C-118, T19, 47, 48, T-1A, W-3A, W322, C132, T18, S83, S84, T5, 408, C130, C131, D11, D12, S82, T6, T9, T10, T11, T13, T15, T16, T8  
Naval Construction Battalion Center  
Davisville Co: Washington RI 02854—  
Landholding Agency: Navy  
Property Numbers: 779010001-779010023, 779010025, 779010027-779010040, 779010042-779010052, 779010054-779010061, 779010063-779010065, 779010067, 779010069-779010072, 779010074, 779010076, 779010078-779010079, 779010232-779010240, 779010242-779010252  
Status: Excess

Reason: Within 2000 ft. of flammable or explosive material. Secured Area (Some are within a Floodway)

Bldg. 32  
Naval Underwater Systems Center  
Coul Island Annex  
Middletown Co: Newport RI 02840-  
Landholding Agency: Navy  
Property Number: 779010273  
Status: Excess  
Reason: Secured Area

Bldg. A-64  
Naval Construction Battalion Center  
Davisville Co: Washington RI 02854-  
Landholding Agency: Navy  
Property Number: 779010278  
Status: Excess  
Reason: Secured Area

Texas  
Bldgs. 2426, 2432, 2476, 2498, 2504, 1730, 2422,  
2425, 2430, 2434, 2449, 2450, 2453, 2455, 2456,  
2463, 2483, 2516, 2524, 2528

Laguna Shores Housing Area  
Corpus Christi Co: Nueces TX 78419-  
Landholding Agency: Navy  
Property Numbers: 779010279-779010298  
Status: Underutilized  
Reason: Floodway

Washington  
Bldg. 57  
Naval Supply Center Puget Sound  
Manchester Co: Kitsap WA 98353-  
Landholding Agency: Navy  
Property Number: 779010091  
Status: Unutilized

Reason: Within 2000 ft. of flammable or explosive material. Secured Area

Bldg. 47 (Report 1)  
Naval Supply Center, Puget Sound  
Manchester Co: Kitsap WA 98353-  
Landholding Agency: Navy  
Property Number: 779010230  
Status: Unutilized  
Reason: Secured Area

#### Land (by State)

Arizona  
Elliott Homes—Canal  
West of 77th Ave. and South of Cholla Street  
Maricopa Co: Peoria AZ 85345-  
Landholding Agency: Interior  
Property Number: 619130006  
Status: Surplus  
Reason: Other  
Comment: Lateral canal

California  
Salton Sea Test Range  
ElCentro Co: Imperial CA 93555-  
Landholding Agency: Navy  
Property Number: 779010066  
Status: Excess  
Reason: Secured Area

Florida  
Boca Chica Field  
Naval Air Station  
Key West Co: Monroe FL 23040-  
Landholding Agency: Navy  
Property Number: 77901097  
Status: Unutilized  
Reason: Floodway

East Martello Battery #3  
Naval Air Station

Key West Co: Monroe FL 33040-  
Landholding Agency: Navy  
Property Number: 779010099  
Status: Excess

Reason: Within airport runway clear zone  
East Martello Battery #2  
Naval Air Station

Key West Co: Monroe FL 33040-  
Landholding Agency: Navy  
Property Number: 779010275  
Status: Excess

Reason: Within airport runway clear zone  
Georgia

Naval Submarine Base  
Grid C-5 to C-10 to Q-6 to P-2  
Kings Bay Co: Camden CA 31547-  
Landholding Agency: Navy

Property Number: 779010228  
Status: Underutilized  
Reason: Secured Area

Washington  
Land (Report 2), 234 acres  
Naval Supply Center, Puget Sound  
Manchester Co: Kitsap WA 98353-  
Landholding Agency: Navy  
Property Number: 779010231  
Status: Unutilized  
Reason: Secured Area

[FR Doc. 91-20693 Filed 8-29-91; 8:45 am]

BILLING CODE 4210-29-M

## DEPARTMENT OF THE INTERIOR

### Bureau of Land Management

[ID-050-4212-13/7122-08-7558; IDI-27542,  
IDI-2758; IDI-28095]

### Management Framework and Resource Management Plan Amendments; Exchange of Public Lands, Idaho, Correction

AGENCY: Bureau of Land Management  
[BLM], Interior.

ACTION: Amendment of the Bennett Hills  
MFP, Sun Valley MFP and Monument  
RMP, exchange of public land in Camas,  
Gooding, Lincoln, and Jerome counties,  
Idaho for private land in Camas and  
Custer Counties, Idaho; Correction to  
legal description previously published in  
the **Federal Register** August 1, 1991 (Vol.  
56, No. 148, page 36824.

SUMMARY: Non-federal land described  
as T. 2S., R. 16E., Camas County, Section  
11: SW¼SW¼ is corrected to read  
SW¼NW¼.

Dated: August 20, 1991.

Janis L. VanWyke,  
Acting District Manager.

[FR Doc. 91-20784 Filed 8-29-91; 8:45 am]

BILLING CODE 4310-GG-M

[MT-070-00-4320-02; ADVB]

### Montana; Amendment to Notices of District Grazing Advisory Board and District Advisory Council Meetings

AGENCY: Bureau of Land Management,  
Butte District Office.

ACTION: Notice of change in meeting  
place.

SUMMARY: The Butte District Grazing  
Board meeting scheduled for 8 a.m. on  
September 11 at the Garnet Resource  
Area office will instead be held at the  
Lubrecht Experimental Forest  
conference room. It will begin at 8 a.m.

The Butte District Advisory Council  
Tour, scheduled to depart from the  
Garnet Resource Area office at 9 a.m. on  
September 11 will instead depart from  
the Lubrecht Experimental Forest  
Headquarters at 9 a.m.

The Lubrecht Experimental Forest  
Headquarters is located about 22 miles  
east of Missoula, just off Montana  
Highway 200.

FOR FURTHER INFORMATION CONTACT:  
James R. Owings, District Manager,  
Butte District, Bureau of Land  
Management, Box 3388, Butte, Montana  
59702.

Dated: August 21, 1991.

James R. Owings,  
District Manager.

[FR Doc. 91-20785 Filed 8-29-91; 8:45 am]

BILLING CODE 4310-DN-M

[CO-010-01-4320-02]

### Craig District Grazing Advisory Board Meeting

Time and Date: October 3, 1991 at 10 a.m.  
Place: Craig District Office, 455 Emerson  
Street, Craig, Colorado 81625.

Status: Open to public, interested persons  
may make oral statements between 10 a.m.  
and 11 a.m., or may file written statements.

#### Matters to be Considered

1. Riparian task force update.
2. Little Snake Coordinated Management  
Plan.
3. Status report on FY '91 range  
improvement projects.
4. Area reports.
5. Expenditures of Grazing Advisory Board  
Funds.

Contact Person for More Information: John  
Denker, Craig District Office, 455 Emerson  
Street, Craig, Colorado 81625-1129, Phone:  
(303) 824-8261.

Dated: August 22, 1991.

William J. Pulford,  
District Manager.

[FR Doc. 91-20786 Filed 8-29-91; 8:45 am]

BILLING CODE 4310-JB-M



(NM-060-4320-10-606)

**Roswell District Grazing Advisory Board Tour****AGENCY:** Bureau of Land Management, Interior.**ACTION:** Roswell District Grazing Advisory Board Tour.

**SUMMARY:** This schedule sets forth the agenda of a upcoming tour for the Roswell District Grazing Advisory Board of selected allotments in the Carlsbad Resource Area. Monitoring studies and range improvement projects for fiscal year 1992 will be discussed. The group will leave from the Roswell District Office at 1717 W. Second Street, Roswell, NM, at 8 am on Tuesday, September 24, 1991, and the tour will begin at the Carlsbad Resource Area office at 9:30 am.

**LOCATION:** Carlsbad Resource Area Allotments.

**FOR FURTHER INFORMATION CONTACT:** Francis R. Cherry, Jr., District Manager, Bureau of Land Management, P.O. Box 1397, Roswell, NM at (505) 622-9042.

**SUPPLEMENTARY INFORMATION:** Summary minutes will be maintained in the District Office and will be available for public inspection during regular business hours, within 30 days following the meeting. Copies will be available for the cost of duplication.

Dated: August 22, 1991.

Francis R. Cherry, Jr.,  
District Manager.

[FR Doc. 91-20787 Filed 8-29-91; 8:45 am]

BILLING CODE 4310-FR-M

[AZ-050-1-4212-11; AZA 25288, AZA 25305, AZA 25306, AZA 25307, AZA 25464, AZA 25589, AZA 25590]

**Mohave County, AZ; Realty Action, Classification of Lands****AGENCY:** Bureau of Land Management, Interior.**ACTION:** Notice of Realty Action—Recreation and Public Purposes Act Classification, Mohave County, Arizona.

**SUMMARY:** The following described lands have been examined and found suitable for classification and lease under the Recreation and Public Purposes Act of June 14, 1926, as amended (43 United States Code 869 et seq.).

Gila and Salt River Meridian, Arizona

T. 19 N., R. 22 W.,  
sec. 2, lots 1 and 2, S½NE¼, SE¼.

T. 20 N., R. 22 W.,  
sec. 12, lot 5;  
sec. 20, lots 1-4, SW¼NE¼, S½NW¼

AZA 25288—The City of Bullhead City has applied for a Recreation and Public Purposes lease for 10 acres for municipal facilities and recreation area.

AZA 25305—The City of Bullhead City has applied for a Recreation and Public Purposes lease for 3 acres for the Bullhead Senior Center.

AZA 25306—Since 1971, the Mohave County School District No. 15 has leased approximately 39 acres under Bureau of Reclamation authority for a junior high school. This action will convert the lease to Bullhead School District No. 15 and Recreation and Public Purposes authority.

AZA 25307—Since 1975, the Bullhead School District No. 15 has leased approximately 32 acres under Bureau of Reclamation authority for an elementary school. This action will convert the lease to Recreation and Public Purposes authority.

AZA 25464—The City of Bullhead City has applied for a Recreation and Public Purposes lease for a public boat dock and public beach, ball fields, park area, and parking lot.

AZA 25589—Since 1981, Mohave County Community College has leased approximately 320 acres under Bureau of Reclamation authority. This action will convert the lease to Recreation and Public Purposes authority.

AZA 25590—Since 1979, Mohave County Board of Supervisors has leased approximately 28 acres under Bureau of Reclamation authority. This action will convert the lease to Recreation and Public Purposes authority.

The lands are not required for any Federal purpose. The classification and subsequent leases are consistent with the Bureau's planning for the area.

Upon publication of this Notice of Realty Action in the Federal Register, the lands will be segregated from all other forms of appropriation under the public land laws, including the general mining laws, except for lease under the Recreation and Public Purposes Act. For a period of 45 days from the date of publication of this Notice, interested parties may submit comments to the District Manager, Yuma District Office, 3150 Winsor Avenue, Yuma, Arizona 85365. Any objections will be reviewed by the State Director, who may sustain, vacate, or modify this realty action. In the absence of any objections, the classification will become effective 60 days from the date of publication of this Notice.

**FOR FURTHER INFORMATION CONTACT:** Levi D. Deike, Area Manager, Havasu Resource Area, Bureau of Land Management, 3189 Sweetwater Avenue, Lake Havasu City, Arizona 86403, 602-855-8017.

Dated: August 23, 1991.

Herman Kast,  
District Manager.

[FR Doc. 91-20790 Filed 8-29-91; 8:45 am]

BILLING CODE 4310-32-M

[G-010-G1-0122-4212-11; NMNM 83306]

**Albuquerque District, NM; Realty Action Under Recreation and Public Purposes Act Classification****AGENCY:** Bureau of Land Management, Interior.**ACTION:** Notice of Realty Action for a proposed Recreation and Public Purpose lease/conveyance.

**SUMMARY:** This notice is to advise that the following public lands in Rio Arriba County, New Mexico, have been examined and found suitable for classification for lease/conveyance to Rio Arriba County under the provisions of the Recreation and Public Purposes Act, as amended (43 U.S.C. 869 et seq.). Rio Arriba County proposes to use the lands for the establishment of the Don Juan de Oñate Monument.

The classification is consistent with Public Law 101-313, as amended, June 27, 1990, (104 Stat. 272, sec. 303), Juan de Oñate Memorial, which provides that for purposes of the Act of June 14, 1926, Recreation and Public Purposes Act, approximately 5 acres of the Sebastian Martin Land Grant near Los Luceros, New Mexico shall be treated as public land.

**New Mexico Principal Meridian**

Tract B, within the Sebastian Martin Land Grant

Containing 5.00 acres, more or less.

The lands are not needed for Federal purposes. Lease and/or conveyance is consistent with current BLM land use planning and would be in the public interest.

**FOR FURTHER INFORMATION CONTACT:** Lora Yonemoto at the BLM Taos Resource Area Office, 224 Cruz Alta Rd., Taos, New Mexico 87571, or at (505) 758-8851 (FTS 479-8801).

**ADDRESSES:** Comments should be sent to District Manager, BLM Albuquerque District Office, 435 Montano NE, Albuquerque, New Mexico 87107.

**SUPPLEMENTARY INFORMATION:** Lease and/or conveyance of the lands will be subject to the following terms, conditions, and reservations:

1. Provisions of the Recreation and Public Purposes Act and to all applicable regulations of the Secretary of the Interior.

2. A right-of-way for ditches and canals constructed by the authority of the United States, Act of August 30, 1890, 26 Stat. 391, 43 U.S.C. 945.

3. All valid existing rights documented on the official public land records at the time of lease/patent issuance.

4. All minerals shall be reserved to the United States, together with the right to prospect for, mine, and remove the minerals.

5. Any other reservations that the authorized officer determines appropriate to ensure public access and proper management of Federal lands and interests therein.

6. Provisions of the Resource Conservation and Recovery Act of 1976 (RCRA) as amended, 42 U.S.C. 6901-6987 and the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) as amended, 42 U.S.C. 9601 and all applicable regulations.

Upon publication of this Notice in the **Federal Register**, the lands will be segregated from all forms of appropriation under the public land laws, including the general mining laws, except for lease/conveyance under the Recreation and Public Purposes Act and leasing under the mineral leasing laws.

Interested parties may submit comments regarding the lease/conveyance on or within 45 days of the date of publication of this notice. Adverse comments will be evaluated by the State Director who may sustain, vacate, or modify this realty action. In the absence of any objections, this realty action will become the final determination of the Department of the Interior.

Dated: August 23, 1991.  
**Patricia E. McLean,**  
*Associate District Manager.*  
 [FR Doc. 91-20788 Filed 8-29-91; 8:45 am]  
 BILLING CODE 4310-FB-M

## INTERNATIONAL TRADE COMMISSION

### Certain Personal Word Processors From Japan, Inv. No. 731-TA-483 (Final)

**AGENCY:** United States International Trade Commission.

**ACTION:** Issuance of erratum to final antidumping determination in Certain Personal Word Processors from Japan, Inv. No. 731-TA-483 (Final).

#### Erratum

Footnote two on page one of the Commission final determination in the

above-referenced investigation should be corrected to read as follows:

For a comprehensive description of the merchandise subject to this investigation, see International Trade Administration, Final Determination of Sales at Less Than Fair Value: Personal Word Processors from Japan (56 FR 31101, July 9, 1991). For the purpose of this investigation, imported office typing systems are defined as personal word processors and major finished units thereof (as defined in the Commerce notice) with weight at least equivalent to that of the models described on page B-31 of the Report, that have a print speed of 20 characters per second or more and a print line width of 11.5 inches or more, and that offer proportionally spaced printing.

Issued: August 26, 1991.

By order of the Commission.

**Kenneth R. Mason,**  
*Secretary.*

[FR Doc. 91-20816 Filed 8-29-91; 8:45 am]  
 BILLING CODE 7020-02-M

## INTERSTATE COMMERCE COMMISSION

### Motor Passenger Carrier or Water Carrier Finance Applications

The following applications seek approval to consolidate, purchase, merge, lease operating rights and properties of, or acquire control of motor passenger carriers or water carriers pursuant to 49 U.S.C. 11343-11344. The applications are governed by 49 CFR part 1182, as revised in Pur., Merger & Cont.-Motor Passenger & Water Carriers, 5 I.C.C.2d 786 (1989). The findings for these applications are set forth at 49 CFR 1182.18. Persons wishing to oppose an application must follow the rules under 49 CFR Part 1182, subpart B. If no one timely opposes the application, this publication automatically will become the final action of the Commission.

No. MC-F-19901, filed August 16, 1991. J. Alden Collins and Priscilla C. Snow—Continuance in Control—Post Road Stages, Inc., Collins Bus Service, and Collins Bus Service, Inc.—Purchase—Collins Bus Service. Applicants' representative: Charles A. Webb, 606 London House, 1001 Wilson Boulevard, Arlington, VA 22209. Applicants J. Alden Collins and Priscilla C. Snow, both noncarrier individuals, seek approval of their continuance in control of: (1) Post Road Stages, Inc. (Post) (MC-96949), of 1105 Strong Road, South Windsor, CT 06074; (2) Collins Bus Service (Collins) (MC-89433) of 1105 Strong Road, Wapping,

CT 06087, a family partnership; and (3) Collins Bus Service, Inc. (Service), of 1105 Strong Road, South Windsor, CT 06074, which has an application pending in MC-244750 as a motor common and contract carrier of passengers in interstate commerce, in charter and special operations, between points in the United States (except Alaska and Hawaii). Post is authorized to operate as a motor common carrier of passengers in interstate commerce, in charter and special operations, between points in the United States (except Alaska and Hawaii). Collins is authorized to transport passengers in interstate commerce, in charter operations, between various points in Connecticut, Massachusetts, Rhode Island, New Hampshire, Vermont, and New York. J. Alden Collins and Priscilla C. Snow also seek approval of the transfer by Collins of its certificate in MC-89433 to Service. Mr. Collins and Ms. Snow each own 50 percent of the stock of Service and Post and serve on the board of directors of both firms. After the transfer of Collins' operating authority to Service, Collins will cease to be a carrier.

Decided: August 23, 1991.

By the Commission, the Motor Carrier Board.

**Sidney L. Strickland, Jr.,**  
*Secretary.*

[FR Doc. 91-20763 Filed 8-29-91; 8:45 am]  
 BILLING CODE 7035-01-M

## DEPARTMENT OF JUSTICE

### Office of Justice Programs; Bureau of Justice Assistance

#### Discretionary Grant Announcement for Criminal History Records Information Evaluation

**AGENCY:** Office of Justice Programs, Bureau of Justice Assistance.

**ACTION:** Announcement of a grant to evaluate State and local government criminal history records information.

**SUMMARY:** The Bureau of Justice Assistance announces an initiative to develop and implement an evaluation of the Criminal History Record Improvement Program that is currently managed by the Bureau of Justice Assistance (BJA) and the Bureau of Justice Statistics (BJS), at the direction of the U.S. Attorney General. The primary purpose of this initiative is to provide guidance and direction to the States in the activities they are seeking to undertake to improve criminal history data quality. This effort should be designed to meet the requirements of

BJA for an objective evaluation of all states participating in the Criminal History Record Improvement (CHRI) program and to provide guidance and direction to BJA in the implementation of the new provisions related to criminal records and reporting to INS.

Specifically, the evaluation of the Criminal History Record Improvement Program should be designed to determine the Program's impact on the accuracy, completeness, and timeliness of criminal history record information in State repositories; to determine its impact on the accurate identification of criminal history records that contain felony convictions; and to determine its impact on the States' ability to meet the Bureau of Justice Statistics/Federal Bureau of Investigation's voluntary standards for improving the quality of criminal history records information.

This initiative will be supported under the Edward Byrne Memorial State and Local Law Enforcement Discretionary Grant Program, authorized by the Anti-Drug Abuse Act of 1988. The initiative was described on page 38 of the FY 1991 Bureau of Justice Assistance Discretionary Program Application Kit.

The Bureau of Justice Assistance invites public and private organizations to submit competitive applications to develop and implement an evaluation of the Criminal History Records Improvement Program. Private for-profit organizations must waive their fee in order to be eligible. Applicant organizations may choose to submit joint proposals with other eligible organizations as long as one organization is designated in the application as the primary applicant and any co-applicants are designated as such.

Up to \$525,000 will be made available through a grant for a 24 month period to perform the evaluation effort.

**DATES:** The deadline for receipt of applications is 5 p.m. EDT, November 1, 1991. No extension of this date will be granted.

**ADDRESSES:** Bureau of Justice Assistance, room 1044, U.S. Department of Justice, 633 Indiana Avenue, NW., Washington, DC 20531.

**FOR FURTHER INFORMATION CONTACT:** Mr. Donald J. Anderson, at the above address. Telephone 202/514-5943.

#### **SUPPLEMENTARY INFORMATION:**

##### **Table of Contents**

- I. Introduction.
- II. Program Goals and Objectives.
- III. Program Strategy.
- IV. Award Amount.
- V. Eligibility Requirements.
- VI. Application Requirements.

- VII. Procedures and Criteria for Selection.
- VIII. Financial Requirements.
- IX. Civil Rights Requirements.
- X. Drug-Free Workplace.
- XI. Government-wide Debarment and Suspension (Nonprocurement).
- XII. Certification Regarding Lobbying/ Disclosure of Lobbying Activities.
- XIII. Deadline for Receipt of Applications.

#### **I. Introduction**

##### *State Legislation Related to Use of Criminal History Records*

The importance of upgrading criminal justice records is underscored by the number of state laws which require or allow the use of information on an offender's past criminal behavior in making decisions. Criminal justice records, particularly criminal history records, are increasingly being relied upon by the criminal justice system to make release and sentencing decisions and by those outside the criminal justice system to make decisions regarding licensing, purchase of firearms, and employment. Many states allow or require the use of criminal history information in making the following types of decisions:

- Bail Decisions.
- Upgrading of Charges.
- Sentence Enhancements.
- Eligibility for Probation.
- Correctional Classification and Supervision.
- Eligibility for Parole.

##### *Federal Legislation Related to Use of Criminal History Records*

Federal legislation is also placing greater reliance on the use of criminal records in making decisions. For example, section 6213 of the Anti-Drug Abuse Act of 1988 requires the Attorney General to develop a system for the immediate and accurate identification of felons who are attempting to purchase firearms, but who are ineligible to do so pursuant to Federal law. Those ineligible to ship, transport, possess, or receive any firearm or ammunition affected by interstate or foreign commerce are defined by the Gun Control Act of 1968 (18 U.S.C. 922(g)) as any person:

- Who has been convicted in any court of a crime punishable by imprisonment for a term exceeding one year;
- Who is a fugitive from justice;
- (Who) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act 21 U.S.C. 802);
- Who has been adjudicated as a mental defective or who has been committed to a mental institution;

- Who, being an alien, is illegally or unlawfully in the United States;
- Who has been discharged from the Armed Services under dishonorable conditions;
- Who, having been a citizen of the United States, has renounced his citizenship.

On November 20, 1989, the Attorney General advised Congress of his recommendations for implementing this statute based on a range of options developed by the Attorney General appointed Task Force on Felon Identification in Firearm Sales. The Attorney General also noted that problems of inaccurate, incomplete and inaccessible criminal history records created a major obstacle to achieving the goal. The Attorney General—

- Directed the Federal Bureau of Investigation (FBI) in conjunction with the Bureau of Justice Statistics (BJS) to develop voluntary standards for improving the quality of criminal history record information;
- Directed that, since the most urgent need is to identify criminals, these standards should emphasize enhanced record keeping for all arrests and convictions made within the last five years and in the future; and
- Directed that the Bureau of Justice Assistance devote \$9 million out of its Anti-Drug Abuse Act Discretionary Fund in each of the next three years (FY 1990, FY 1991 and FY 1992) to fund grants to states for purposes of state compliance with the new BJS/FBI standards. States were also urged to use other Federal law enforcement formula funds for this purpose. The standards, which were published in the **Federal Register** on February 13, 1991, are presented below.

##### *Recommended Voluntary Standards for Improving the Quality of Criminal History Records Information*

1. Every State shall maintain fingerprint impressions or copies thereof as the basic source document for each arrest (including incidents based upon a summons issued in lieu of an arrest warrant) recorded in the criminal history record system.
2. Arrest fingerprint impressions submitted to the State repository and the FBI's Identification Division (ID) should be complete, but shall at least contain the following data elements: Date of arrest, originating agency identification number, arrest charges, a unique tracking number (if available), and the subject's full name, date of birth, sex, race, and social security number (if available).

3. Every State shall ensure that fingerprint impressions of persons arrested for serious and/or significant offenses are included in the national criminal history records system.

4. All disposition reports submitted to the State repository and the FBI ID shall contain the following: FBI number (if available), name of subject, date of birth, sex, state identifier number, social security number (if available), date of arrest, tracking number (if available), arrest offense literal, court offense literal, and agency identifier number of agency reporting the arrest.

5. All final disposition reports submitted to the State repository and the FBI ID that report a conviction for an offense classified as a felony (or equivalent) within the State shall include a flag identifying the conviction as a felony.

6. States shall ensure to the maximum extent possible that arrest and/or confinement fingerprints are submitted to the State repository and, when appropriate, to the FBI ID within 24 hours; however, in the case of single source states, State repositories shall forward fingerprints, when appropriate, to the FBI ID within two weeks of receipt.

7. States shall ensure to the maximum extent possible that final dispositions are reported to the State repository and, when appropriate, to the FBI ID within a period not to exceed 90 days after the disposition is known.

8. Every State shall ensure that annual audits of a representative sample of State and local criminal justice agencies shall be conducted by the State to verify adherence to State and Federal standards and regulations.

9. Whenever criminal history information is collected, stored, or disseminated, each State shall institute procedures to assure the physical security of such information, to prevent unauthorized access, disclosure or dissemination, and to ensure that such information cannot be improperly modified, destroyed, accessed, changed, purged, or overlaid.

10. Every State shall accurately identify to the maximum extent feasible all State criminal history records maintained or received in the future that contain a conviction for an offense classified as a felony (or equivalent) within the State.

#### *Condition of State Criminal Justice Records*

Although the need for accurate criminal records is critical to the functioning of the criminal justice system, the quality of these records varies significantly across the country.

A Survey of Criminal History Information Systems, published by the Bureau of Justice Statistics in March 1991, describes the status of State repository criminal history record files in 1989. The major findings from this survey are:

- 47 States and the District of Columbia have automated some records in their criminal history records file or master name index.
- 10 States have a fully automated criminal records file and master name index.
- 3 States have no automated criminal history information.
- 23 States have final dispositions for at least 70% of arrests within the past five years.
- 13 States currently flag some or all felony convictions.
- 23 States and the District of Columbia require prosecutors to report decisions to decline prosecution in criminal cases.
- 41 States and the District of Columbia require felony courts to report dispositions of felony cases.
- 36 States require correctional agencies to report prison admission and release information on felony cases.

#### *The Bureau of Justice Assistance/ Bureau of Justice Statistics \$27 Million Discretionary Program: Improvement of Criminal History Record Information and Identification of Convicted Felons.*

The focus of this program is to identify accurately those individuals convicted of an offense classified as a felony (or equivalent) within the State; to improve reporting of criminal justice actions and dispositions to State criminal history record systems (particularly those arrests and dispositions occurring in the last five years); to increase automation of criminal history records at the State level; to meet the voluntary reporting standards of the FBI; and to make felon conviction information readily available to appropriate Federal and State requesting agencies.

Funds are being provided for the following activities:

1. Development of systems and procedures to identify convicted felons through an examination of the subject's automated or manual criminal history record and to include a felony "flag" in criminal history records. Such information will be made available for interstate criminal justice purposes. Emphasis should be placed on arrests and convictions made within the last five years. Convicted felons should be identified on an ongoing basis.

2. Development of programs and procedures to meet the new FBI

voluntary reporting standards for identifying convicted felons, including making such records available to authorized State, local, and Federal criminal justice agencies.

3. Development of systems and procedures designed to improve reporting to the central repository of all arrests, dispositions, and other related criminal justice information.

4. Increase the degree of criminal history automation by implementing a State master name index (MNI) or enhancing existing automated MNIs by increasing the number of individuals contained in the index. Funds may also be used to place a felony conviction indicator in the MNI.

5. Increase the degree of criminal history automation by establishing a computerized criminal history (CCH) record system, increasing the number of individuals recorded in existing systems, and improving the quality and timeliness of criminal history records.

Funds normally will not be available for extensive conversion of manual criminal history records. However, if required to meet program objectives, limited funding may be considered in the following order:

- Conversion of offender identification information into the master name index. Complete conversion of offenders' manual records will be funded only if an offender becomes active, e.g., a new arrest or disposition information is received.
- If arrest data for offenders have been entered into the computerized criminal history (CCH) system and disposition information for offenders is already at the central repository, funds may be utilized for data entry of dispositions. If the disposition data have not been forwarded to the repository, funds may be used to collect the data from the source of the information and enter the collected data into the criminal history record.

In either instance, the State must submit a detailed, cost-effective strategy for conversion activities before funding will be considered. This strategy must also describe plans and procedures which have been or will be implemented to prevent future backlogs. Because of the extraordinary costs involved in data conversion, the strategy must also include a description of the priorities to be followed in converting the data. In any event, funds for data conversion and data entry tasks are limited to one year.

States must develop a cost effective strategy designed to meet the needs of criminal justice practitioners and to

identify felons before costs for conversion activities will be considered.

Limited funds will be available to States for technical assistance to design a CCH system or to develop a strategy for data conversion. Additional funding may be available for system or data conversion once the necessary system design has been completed.

Funds for computer software are limited to new programming and to systems modifications necessary to meet program requirements such as identifying felons or interfacing with court data processing systems to capture disposition data electronically. Program funds may not be used to rewrite completely or to make extensive upgrades to existing criminal history or court systems software unless it can be positively shown that the new program requirements cannot otherwise be met. In these rare instances, requests will be considered for funding up to 50% of a major upgrade or rewrite to meet specific program requirements and State needs.

6. Development of procedures to participate in the Interstate Identification Index (III) or other FBI pointer system programs where it will facilitate the goals of this program. In any case, participation will not be funded unless efforts have been or will be undertaken to identify individuals convicted of a felony for purposes of sharing this information with appropriate Federal and State agencies.

7. Conduct a baseline audit of criminal history record systems to assess existing data quality levels, identify problems in the present system, and establish a basis for evaluating the success of a data quality improvement program.

8. Upgrade existing data systems to meet improved data quality requirements by obtaining auxiliary equipment such as disks, printers, and communication lines. With the exception of those few States automating their systems for the first time, funding for computer hardware is limited to that auxiliary equipment necessary to upgrade existing systems to meet the requirements of this program. Program funds may not be used to obtain or replace primary CCH equipment, regardless of age or condition unless criminal history record information is being automated for the first time and currently available equipment in the State repository is at its maximum capacity. All requests for equipment must be documented and justified.

9. Interface and coordinate activities under this program with agencies participating in the Bureau of Justice Assistance formula grant program for

the improvement of criminal justice records.

## II. Program Goals and Objectives

### Goal(s)

- To evaluate the impact of the BJA/BJS Criminal History Record Improvement (CHRI) Program on the timeliness, accuracy, and completeness of criminal history records, the capability to identify felons, and the level of compliance with the BJS/FBI Voluntary Standards.
- To identify effective approaches for States that are seeking to improve criminal history data quality, based on the results of the evaluation.

### Objectives

- To evaluate all criminal history record improvement projects funded under the BJA/BJS Criminal History Records Improvement Program.
- To evaluate the effectiveness of selected criminal history record data quality improvement strategies across programs.
- To identify three to five States that have developed highly effective criminal history record systems and strategies.
- To document the activities undertaken by the three to five States to improve their criminal history systems for use by other states and the Federal government.

## III. Program Strategy

*The strategy should be designed to accomplish the four objectives*

**Objective 1:** The purpose is to determine to what extent the projects have met the objectives set forth in their application and what effect these achievements have had on the accuracy and completeness of criminal records, and on the capability to identify felons. The key tasks to be performed under this objective include describing and measuring how state projects are improving criminal history record systems in accordance with the objectives in the state applications, and determining what impact these actions have on improving the timeliness, accuracy and completeness of these records in state repositories. This evaluation should serve as a supplement to the Bureau of Justice Statistics Survey of Criminal History Information Systems by providing information explaining the developments and progress in the states that are documented by the survey.

This objective must be met by collecting baseline data in each CHRI participating state and measuring progress in those states at 15 month intervals after awards are made by updating the baseline information. Other

critical evaluation issues should be identified and measured as part of this project. Baseline data will be collected retroactively in those States that have received awards. For states receiving awards after the evaluation has begun, baseline data collection will occur as soon as possible after an award is made. The evaluation of the CHRI projects will be conducted in three phases and separate reports will be prepared for each phase:

- Phase I will consist of retroactive baseline data collection for the 28 states that were awarded their first cooperative agreement during the period October 1990 through July 1991. Initial collection efforts will concentrate on the 12 states which started project development prior to December 1990 and have completed 15 months of program development by December 1991. Depending upon the time schedules for state site evaluation, the collection of baseline data and measures of progress will be made simultaneously.

- Phase II will consist of data collection in those states which were awarded cooperative agreements prior to August 1991, but which will not have completed 15 months of project activities until after December 1991. Approximately 16 states are in this category. In both Phase I and II, for states undertaking audits or requirements analysis, detailed baseline data indicating measurable progress may not be possible. If a state has an initial project period over 15 months, the evaluation will take place at the end of the project.

- Phase III will consist of baseline data collection in those states whose awards are made from August 1991 through October 1991. Approximately 15 states should receive awards during this time frame. Baseline data will also be collected on new states joining the CHRI program after October 1992. Evaluation will be completed on these states 15 months after award. For those states receiving second awards for project implementation (after completing a requirements analysis), evaluation will be completed within 15 months after the second award; for other states receiving additional awards, evaluation will be completed if funds are available.

It is anticipated that baseline data and evaluation will be completed on at least 43 states under this program. Additional information on the status of the CHRI discretionary projects may be obtained by contacting the Bureau of Justice Assistance. Some state projects will probably be extended for short periods of time which should not affect

the overall evaluation plan. Baseline data will include, but not be limited, to those items discussed under Stage I activities. In addition to baseline data, certain criminal history record systems design components should be identified and evaluated, such as the effectiveness of state repository/court automated interfaces, the development of felony identification procedures ("flagging") and the effectiveness of a single subject identification number and unique tracking numbers used to match final dispositions to charges. The identification and evaluation of selected design components should assist in meeting Objectives 2, 3, and 4. The identification of specific issues and key evaluation questions will be determined in Stage I, Developing the Evaluation Design.

**Objective 2:** Some of the projects have common goals such as increasing the number of arrests showing final dispositions, but have developed different strategies for meeting that goal. Under objective 2, the evaluation should identify the effectiveness of different strategies for meeting similar key criminal history record system goals.

**Objective 3:** Criteria must be developed by the evaluation for identifying successful criminal history record programs. These criteria will be applied to identify three to five states that have highly effective systems.

**Objective 4:** The evaluation will focus on identifying the factors that contributed to success for use by other states and the Federal government. The evaluator will prepare documentation on how the three to five states developed and maintained highly effective criminal history record system. This information will be prepared in a format that is useful to other states in making decisions regarding technical approaches and the allocation of resources to improve their criminal history record systems.

This program will be conducted in three stages: Evaluation Design, Data Collection and Data Processing, and Data Analysis and Reporting.

#### A. Stage I

Stage I of the program consists of developing the evaluation design. To accomplish this task, the evaluation team will identify the critical evaluation issues; specify the key research questions; conduct a review of information on the purpose and status of the CHRI program; define key terms and outline the data collection instruments; specify plans for protection of confidentiality of data sources, if necessary; specify a sampling strategy, where appropriate, and develop data

analysis plans. To address objective 1, the design must provide for the following data to be collected on each of the projects as of the beginning of their grant from BJA/BJS and approximately 15 months following project implementation:

- Total number of arrests in the criminal history file for a specified time period.
- Number of arrests showing a final disposition for the same time period.
- Number of arrests without dispositions that are over one year old.
- Total number of convictions in the file for a specified time period.
- Number of conviction records that can be identified as felony convictions for the same time period.
- Number of subjects that have at least one felony conviction and a felony "flag" in their identification segment or Master Name Index (MNI).
- Number of arrest fingerprint cards in-house, but not entered in the system, that are over 30 days old.
- Number of final dispositions in-house, but not entered into the system, over 60 days old.

For states participating in the BJA/BJS discretionary program, information will be developed on:

- The number of states that have an automated central repository and a court interface for the exchange of disposition data and the types of technology and procedures used
- The effectiveness of the interface in reducing backlogs and the time required for data entry
- The number of state automated systems that have a single subject, ID number and unique tracking number for offenses that are used.

Criteria should be included for the selection of the three to five States, as well as for the strategies to be evaluated. The selection of the specific states to be evaluated will be approved by BJA/BJS. The final product of this stage will be the evaluation design that will be used to guide the implementation of the research.

The evaluation design should be based on the goals and objectives and provide the most definitive results possible.

**1. Stage I Activities.** Applicants must describe how the following activities will be undertaken:

- a. Development of an evaluation design plan;
- b. Review of the information on the purpose and status of the criminal history program;
- c. Development of the evaluation design;

d. Development of a dissemination strategy to inform the field of the status of the project.

**2. Stage I Products.** The products to be completed during this stage are:

- a. A plan for developing the evaluation design that includes:
  - (1) Evaluation objectives;
  - (2) Definition of activities, including an integrated time/task plan; and
  - (3) Staff assignments.
- b. An evaluation design that specifies:
  - (1) Objectives;
  - (2) Definition of key concepts;
  - (3) Strategy for operationalizing and measuring key concepts;
  - (4) Sampling strategy;
  - (5) Preliminary plans for data collection;
  - (6) Procedures for protection of confidentiality of data;
  - (7) Data analysis plans;
  - (8) Anticipated reports;
  - (9) Time/task plan for implementation;
  - (10) Dissemination strategy to inform the field of the status of the program.

In addition to documenting the evolutionary course states have charted in achieving superior data quality, this strategy also focuses attention on identifying the minimum elements and/or standards for high quality criminal history records (CHR) and computerized criminal histories (CCH). These minimum elements include (1) The actual data elements, coding schemes and data structure that comprise CCH, and (2) minimum capabilities of CCH systems, i.e., what data and reports the system must be capable of providing.

#### B. Stage II—Data Collection and Data Processing

This stage involves full implementation of the data collection plan using the methodology and instruments developed in the previous stage. The data collection instruments should be pilot tested. It is expected that a preliminary report on the results of the pilot tests will be prepared and appropriate revisions to the instruments and the overall evaluation design will be made.

This stage also includes the preparation of the data for analysis. Data processing involves the preparation and application of appropriate data coding strategies and entry of the data into an automated data processing system.

**1. Stage II Activities.** Applicants must describe how the following activities will be undertaken:

- a. Preparation of a comprehensive data collection plan;



b. Pilot tests of the data collection instruments;

c. Review of the results of the pilot tests and appropriate adjustments to methodology and/or instruments;

d. Data collection;

e. Data processing;

f. Preparation of a data file for analysis.

**2. Stage II Products.** Major products to be completed during this stage are:

a. Comprehensive data collection plan, including a detailed data collection protocol;

b. Report on results from pilot tests of data collection instruments and final instruments;

c. Data tape prepared for analysis, to include all necessary documentation; and

d. Dissemination strategy to inform the field of the status of the program.

#### **C. Stage III—Data Analysis and Reporting**

The final stage of this initiative will involve the analysis of the data collected and the preparation of reports. Applicants should outline a set of reports that will communicate the results to a variety of audiences including policy makers, practitioners, and researchers in the criminal justice system. These reports should describe the evaluation, summarize the results, and document the approach that successful States have taken in achieving superior criminal history record quality. The reports must also provide, if appropriate, recommendations for improving the quality of criminal history record programs, which may address different aspects of the program:

- Technical components (e.g., automation, state identification number, three-part forms, automated court disposition reporting, court use of the criminal history records, on-going auditing, training, etc.);

- Legal and organizational components (e.g., mandatory reporting laws, full-time trained auditing staff, adequate budget, etc.);

- Inter-organizational relationships (e.g., good working relationships with judges, prosecutors, law enforcement agencies, etc.).

**1. Stage III Activities.** Applicants must describe how the following major activities will be undertaken:

a. Preparation of a plan for report development and dissemination;

b. An analysis of data;

c. Preparation of draft reports on analysis related to the evaluation goals and objectives; and

d. Preparation of final reports.

**2. Stage III Products.** The products to be completed under this stage are:

a. Plan for report development and dissemination;

b. Data analysis;

c. Draft reports on analysis related to the evaluation goals and objectives; and

d. Final reports.

#### **IV. Award Amount**

Up to \$525,000 has been allocated for this award. One grant will be awarded competitively, with a project period of twenty-four months, to support the evaluation effort, including stages I, II, and III.

#### **V. Eligibility Requirements**

Applications are invited from public and private organizations. Private for-profit organizations must waive their fee in order to be eligible. Applicant organizations may choose to submit joint proposals with other eligible organizations as long as one organization is designated in the application as the primary applicant and any co-applicant are designated as such. Individuals and the organizations they represent who participated in the BJA sponsored evaluation development workshop on May 2 and 3, 1991 are not eligible to apply.

The applicant must also demonstrate that it has the management and financial capability to implement effectively a project of this size and scope in order to be eligible for funding consideration.

An award will be made to the organization/agency which offers the greatest potential for achieving the goals and objectives outlined in the description of this program. Selection will be made on the basis of the information contained in the applications received which will be reviewed and rated by a panel of experts in the program area. It is the policy of the Bureau of Justice Assistance to use peer reviewers who are not employed by the Office of Justice Programs, its Bureaus, or other Federal Agencies. The final award decision will be made by the Director of the Bureau of Justice Assistance in consultation with the Director of the Bureau of Justice Statistics.

#### **VI. Application Requirements**

All applicants must submit a completed Application for Federal Assistance (Standard Form 424), including a program narrative, a detailed budget and budget narrative. All applicants must faithfully respond to the information outlined in section III, Program Strategy, of this solicitation.

Applications from more than one organization must set forth the relationships among the parties. As a general rule, organizations that describe their working relationship in the development of products and the delivery of services as primarily cooperative or collaborative in nature will be considered co-applicants.

In the event of a co-applicant submission, one co-applicant must be designated as the direct recipient. This applicant will receive and disburse project funds and be responsible for the supervision and the coordination of the activities of the other co-applicant(s). Under this arrangement, each organization must agree to be jointly and severally responsible for all project funds and services. Each co-applicant must sign the SF-424 and indicate its acceptance of the conditions of joint and several responsibility with the other co-applicant(s).

Applications that include non-competitive contracts for the provision of specific services must include a sole source justification for any procurement in excess of \$25,000. The following information must be included in the application (SF-424):

##### **A. Organizational Capability**

Applicants must demonstrate that they are eligible to compete for this cooperative agreement on the basis of the eligibility criteria specified in section V above. Applicants must demonstrate the way in which their organizational experience and capabilities will enable them to achieve the goals and objectives of this initiative. Applicants must demonstrate that their organization has or can establish fiscal controls and accounting procedures which assure that Federal funds available under this agreement are disbursed and accounted for properly. Applicants who have not previously received Federal funds will be asked to submit a copy of the Office of Justice Programs, Accounting System and Financial Capability Questionnaire (OJP Form 7120/1).

##### **B. Program Goals and Objectives**

A succinct statement should be included presenting your understanding of the goals and objectives of this evaluation program. The application should also include a review of the issues pertaining to the improvement of criminal history records, problem statement and a discussion of the potential contribution of this evaluation to the criminal justice field.



**C. Program Strategy**

Applicants should describe the proposed approach for achieving the goals and objectives as they relate to the activities and products of the program. A detailed discussion of how all three stages of the program would be accomplished should be included.

**D. Program Implementation Plan**

Applicants should prepare a plan that outlines the major activities involved in implementing the program. Applicants should describe how they will allocate available resources to implement the program and how the program will be managed.

The plan also must include an annotated organizational chart describing the roles and responsibilities of key organizational/functional components and must list the key personnel responsible for managing and implementing the program.

**E. Time-Task Plan**

Applicants must develop a time-task plan for the project period. Major milestones and products must be clearly identified. This must include designation of organizational responsibility and a schedule for the completion of the products identified in section III. This plan must include provisions to complete the design (Stage 1) within 45 days, and to complete the collection, analysis and reporting of baseline data and follow-up data on 12 states, as explained under objective 1, within 4 months of award.

**F. Products**

Applicants must concisely describe the interim and final products of each stage of the program, and must address the purpose, audience and usefulness to the field of each product.

**G. Program Budget**

Applicants must provide a budget with a detailed justification for all costs, including the basis for computation of these costs. Applications submitted by co-applicants and/or those containing contract(s) must include detailed budgets for each organization's expenses.

**VII. Procedures and Criteria for Selection**

All applications will be evaluated and rated based on the extent to which they meet weighted criteria. Applications will be evaluated by a peer review panel. The selection criteria and their point values (weights) are as follows:

**A. Organizational Capability (25 points)**

1. The extent and quality of organizational experience in the design and development of sentencing policies, procedures and practices.
2. Adequate fiscal controls and accounting procedures to ensure that the applicant can effectively implement a project of this size and scope, and to ensure the proper disbursement and accounting of Federal funds.

**B. Soundness of the Proposed Strategy (35 Points)**

Appropriateness and technical adequacy of the approach to each stage of the program for meeting the goals and objectives of the program; and potential utility of proposed products.

**C. Qualifications of Project Staff (20 Points)**

The qualifications of staff designated to manage and implement the program including staff to be hired through contracts.

**D. Clarity and Appropriateness of the Program Implementation Plan (15 Points)**

Adequacy and appropriateness of the program activities, and the project management structure; and the feasibility, and responsiveness of the time-task plan.

**E. Budget (5 Points)**

Completeness, reasonableness, appropriateness and cost-effectiveness of the proposed costs, in relationship to the proposed strategy and tasks to be accomplished.

Applications will be evaluated by a peer review panel. The results of peer review will be relative ranking of applications. Peer review recommendation, in conjunction with the results of internal reviews by BJA and BJS and other supplemental reviews as necessary will assist the BJA Director in considering applications and in the selection of an application for funding. The final award decision will be made by the BJA Director in consultation with the BJS Director.

**VIII. Financial Requirements**

Discretionary grants and cooperative agreements are governed by the provisions of the Office of Management and Budget (OMB) Circulars applicable to financial assistance. The circulars, along with additional information and guidance, are contained in the "Financial and Administrative Guide for Grants," Office of Justice Programs, Guideline Manual, 7100.1D, available from the Office of Justice Programs, Office of the Comptroller, 633 Indiana Avenue, NW., Washington, DC 20531.

This guideline manual includes information on allowable costs, methods of payment, audit requirements, accounting systems and financial records.

**IX. Civil Rights Requirements**

A. In accordance with section 809(c)(1) of the Anti-Drug Abuse Act of 1988, no person in any State shall on the grounds of race, color, religion, national origin or sex be excluded from participation in, be denied benefits of, be subjected to discrimination under or denied employment in connection with any program or activity funded in whole or in part with funds made available under this title. Recipients of funds under the Act are also subject to the provisions of title VI of the Civil Rights Act of 1964; section 504 of the Rehabilitation Act of 1974, as amended; title IX of the Education Amendments of 1972; the Age Discrimination Act of 1974; and the Department of Justice Non-Discrimination Regulations, 28 CFR part 42, subparts C, D, E, and G. Upon request, applicants shall maintain such records and submit to the Bureau of Justice Assistance or OJP timely, complete, and accurate information regarding their compliance with the foregoing statutory and regulatory requirements.

In the event a Federal or State court or a Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office of Civil Rights (OCR) of the Office of Justice Programs.

**X. Drug-Free Workplace**

Title V, section 5153 of the Anti-Drug Abuse Act of 1988 provides that all grantees of Federal funds, other than an individual, shall certify to the granting agency that it will provide a drug-free workplace by:

- Publishing a statement notifying employees that the unlawful manufacturing, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violations of such prohibition.

- Establishing a drug-free awareness program to inform employees about:

- The dangers of drug abuse in the workplace;
- The grantee's policy on maintaining a drug-free workplace;

- Any available drug counseling, rehabilitation and employee assistance programs; and
- The penalties that may be imposed upon employees for drug abuse violations.
  - Making it a requirement that each employee to be engaged in the performance of such grant be given a copy of the statement of notification prohibiting controlled substances in the workplace.
  - Notifying the employee that as a condition of employment in such grant, the employee will:
- Abide by the terms of the statement; and,
- Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after conviction.
  - Notifying the granting agency within 10 days after receiving notice of a conviction from an employee or otherwise receiving actual notice of such conviction.
  - Imposing a sanction on or requiring the satisfactory participation in a drug assistance or rehabilitation program by any employee who is so convicted.
  - Making a good faith effort to continue to maintain a drug-free workplace.

The Office of Management and Budget, in collaboration with other Federal executive agencies, including the Department of Justice, has developed regulations to implement the Drug-Free Workplace Act of 1988, 28 CFR part 67, subpart F.

Applicants must submit, with the application, a signed Certification Regarding Drug-Free Workplace Requirements, Form 4061/3. Forms will be supplied with the application information package.

#### **XI. Government-wide Debarment and Suspension (Non-procurement)**

The Certification Regarding Debarment, Suspension, Ineligibility and Other Responsibility Matters—Primary Covered Transactions (OJP Form 4061/2) must be completed and submitted by the applicant to BJA with the original application.

The direct recipient of grant funds will be responsible for monitoring the submission and maintaining the official subrecipient certifications (OJP Form 4061/1).

Forms will be supplied with the application information package.

#### **XII. Certification Regarding Lobbying/ Disclosure of Lobbying Activities**

Each person who requests or receives from an Agency an initial Federal

contract, grant, or cooperative agreement (including subcontracts, subgrants, and contracts under cooperative agreements, exceeding \$100,000) shall file with that Agency a certification regarding lobbying. The signed Certification Regarding Lobbying form, supplied with the application information package, must be submitted with the application.

The Office of Management and Budget has developed the "Disclosure of Lobbying Activities" Standard Form LLL. Disclosure forms, if appropriate, should be submitted to the Office of the Comptroller, Control Desk, Office of Justice Programs, 633 Indiana Avenue, NW., 20531. For further information, contact Cynthia Schwimer at 202/307-3186.

#### **XIII. Deadline for Receipt of Applications**

Applicants must submit a completed Application for Federal Assistance (Standard Form 424). A signed original and two copies of the application are required. To facilitate the review of the applications, three additional copies are requested. Applications must be received by mail or hand delivered to the Bureau of Justice Assistance by 5 p.m., EDT, November 1, 1991. Those applications sent by mail should be addressed to: Bureau of Justice Assistance, U.S. Department of Justice, 633 Indiana Avenue, NW., room 1044, Washington, DC 20531.

Hand delivered applications must be taken to room 1044 between the hours of 8 a.m. and 5 p.m. except Saturdays, Sundays or Federal holidays.

The Bureau of Justice Assistance will notify applicants in writing of the receipt of their application. Applicants will be notified by letter whether or not their application was selected.

#### **Appendix—FY 1992 BJA Formula Grant Requirement to Improve Criminal Justice Records**

The Crime Control Act of 1990 amended Part E of the Omnibus Crime Control and Safe Streets Act to require that each State that receives Edward Byrne Memorial State and Local Law Enforcement Formula Grant funds allocate at least five percent of its total award for the improvement of criminal justice records. The improvements mandated by Congress include the following:

- The completion of criminal histories to include the final dispositions of all arrests for felony offenses.
- The full automation of all criminal justice histories and fingerprint records.

- The frequency and quality of criminal history reports to the Federal Bureau of Investigation.

This requirement for the five percent set-aside applies to the FY 1992 and subsequent Formula Grant awards. The impact of this requirement on the development of the evaluation design and the evaluation effort should be considered by the applicant. Specifically, it is a contextual factor; and, it also has implications for the products of the evaluation.

In order to make the most effective use of the five percent set-aside, intended for the improvement of criminal justice records, states must have a clear understanding of the current condition of their records system, the problems associated with incomplete or inaccurate data, and they must have a commitment to and plan for the improvement of criminal justice records.

Gerald P. Regier,

*Acting Director, Bureau of Justice Assistance.*  
[FR Doc. 91-20813 Filed 8-29-91; 8:45 am]

BILLING CODE 4410-18-M

## **DEPARTMENT OF LABOR**

### **Employment Standards Administration, Wage and Hour Division**

#### **Minimum Wages for Federal and Federally Assisted Construction; General Wage Determination Decisions**

General wage determination decisions of the Secretary of Labor are issued in accordance with applicable law and are based on the information obtained by the Department of Labor from its study of local wage conditions and data made available from other sources. They specify the basic hourly wage rates and fringe benefits which are determined to be prevailing for the described classes of laborers and mechanics employed on construction projects of a similar character and in the localities specified therein.

The determinations in these decisions of prevailing rates and fringe benefits have been made in accordance with 29 CFR part 1, by authority of the Secretary of Labor pursuant to the provisions of the Davis-Bacon Act of March 3, 1931, as amended (46 Stat. 1494, as amended, 40 U.S.C. 276a) and of other Federal statutes referred to in 29 CFR part 1, appendix, as well as such additional statutes as may from time to time be enacted containing provisions for the payment of wages determined to be

prevailing by the Secretary of Labor in accordance with the Davis-Bacon Act. The prevailing rates and fringe benefits determined in these decisions shall, in accordance with the provisions of the foregoing statutes, constitute the minimum wages payable on Federal and federally assisted construction projects to laborers and mechanics of the specified classes engaged on contract work of the character and in the localities described therein.

Good cause is hereby found for not utilizing notice and public comment procedure thereon prior to the issuance of these determinations as prescribed in 5 U.S.C. 553 and not providing for delay in the effective date as prescribed in that section, because the necessity to issue current construction industry wage determinations frequently and in large volume causes procedures to be impractical and contrary to the public interest.

General wage determination decisions, and modifications and supersedeas decisions thereto, contain no expiration dates and are effective from their date of notice in the *Federal Register*, or on the date written notice is received by the agency, whichever is earlier. These decisions are to be used in accordance with the provisions of 29 CFR parts 1 and 5. Accordingly, the applicable decision, together with any modifications issued, must be made a part of every contract for performance of the described work within the geographic area indicated as required by an applicable Federal prevailing wage law and 29 CFR part 5. The wage rates and fringe benefits, notice of which is published herein, and which are contained in the Government Printing Office (GPO) document entitled "General Wage Determinations Issued Under the Davis-Bacon and Related Acts," shall be the minimum paid by contractors and subcontractors to laborers and mechanics.

Any person, organization, or governmental agency having an interest in the rates determined as prevailing is encouraged to submit wage rate and fringe benefit information for consideration by the Department. Further information and self-explanatory forms for the purpose of submitting this data may be obtained by writing to the U.S. Department of Labor, Employment Standards Administration, Wage and Hour Division, Division of Wage Determinations, 200 Constitution Avenue, NW., room S-3014, Washington, DC 20210.

### New General Wage Determination Decisions

The numbers of the decisions added to the Government Printing Office document entitled "General Wage Determinations Issued Under the Davis-Bacon and Related Acts" are listed by Volume, State, and page number(s).

#### Volume III

Nevada, NV91-6 (Aug. 30, p. 370a, p. 370b, 1991).  
Utah, UT91-17 (Aug. 30, p. 450a, p. 450b, 1991).

### Modifications to General Wage Determination Decisions

The numbers of the decisions listed in the Government Printing Office document entitled "General Wage Determinations Issued Under the Davis-Bacon and Related Acts" being modified are listed by Volume, State, and page number(s). Dates of publication in the *Federal Register* are in parentheses following the decisions being modified.

#### Volume I

Connecticut, CT91-1 (Feb. 22, 1991). p. 63, pp. 64-76b.  
District of Columbia, DC91-2 (Feb. 22, 1991). p. 91, p. 92.  
Maryland, MD91-8 (Feb. 22, 1991). p. 491, p. 492.  
New Jersey:  
NJ91-2 (Feb. 22, 1991)..... p. 701, p. 702.  
NJ91-3 (Feb. 22, 1991)..... p. 721, p. 722.  
New York:  
NY91-2 (Feb. 22, 1991)..... p. 777, pp. 779-796a.  
NY91-5 (Feb. 22, 1991)..... p. 817, pp. 818-826.  
Pennsylvania:  
PA91-5 (Feb. 22, 1991)..... p. 995, pp. 998-1006b.  
PA91-6 (Feb. 22, 1991)..... p. 1007, pp. 1008-1017.  
PA91-23 (Feb. 22, 1991)..... p. 1123, p. 1125.  
PA91-25 (Feb. 22, 1991)..... p. 1135, p. 1136.  
PA91-26 (Feb. 22, 1991)..... p. 1137, pp. 1138-1142.  
Virginia, VA91-48 (Feb. 22, 1991). p. 1353, p. 1354.

#### Volume II

Arkansas:  
AR91-1 (Feb. 22, 1991)..... p. 3, pp. 4-8.  
AR91-3 (Feb. 22, 1991)..... p. 9, p. 10.  
AR91-8 (Feb. 22, 1991)..... p. 21, p. 22.  
Missouri, MO91-1 (Feb. 22, 1991). p. 651, pp. 652-672.  
New Mexico, NM91-1 (Feb. 22, 1991). p. 779, pp. 780-794b.  
Texas, TX91-19 (Feb. 22, 1991). p. 1067, p. 1068.

#### Volume III

Alaska, AK91-1 (Feb. 22, 1991). p. 1, pp. 2-4.  
Idaho, ID91-1 (Feb. 22, 1991). p. 207, pp. 208-210.  
Oregon, OR91-1 (Feb. 22, 1991). p. 371, pp. 372-388.

### Wage Determination Publication

General wage determinations issued under the Davis-Bacon and related Acts, including those noted above, may be found in the Government Printing Office (GPO) document entitled "General Wage Determinations Issued Under the Davis-Bacon and Related Acts". This publication is available at each of the 50 Regional Government Depository Libraries and many of the 1,400 Government Depository Libraries across the country. Subscriptions may be purchased from: Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402, (202) 783-3238.

When ordering subscription(s), be sure to specify the State(s) of interest, since subscriptions may be ordered for any or all of the three separate volumes, arranged by State. Subscriptions include an annual edition (issued on or about January 1) which includes all current general wage determinations for the States covered by each volume. Throughout the remainder of the year, regular weekly updates will be distributed to subscribers.

Signed at Washington, DC, this 23rd day of August 1991.

Alan L. Moss,  
Director, Division of Wage Determinations.

[FR Doc. 91-20655 Filed 8-29-91; 8:45 am]

BILLING CODE 4510-27-M

### Employment and Training Administration

#### Investigations Regarding Certifications of Eligibility To Apply for Worker Adjustment Assistance

Petitions have been filed with the Secretary of Labor under section 221(a) of the Trade Act of 1974 ("the Act") and are identified in the appendix to this notice. Upon receipt of these petitions, the Director of the Office of Trade Adjustment Assistance, Employment and Training Administration, has instituted investigations pursuant to section 221(a) of the Act.

The purpose of each of the investigations is to determine whether the workers are eligible to apply for adjustment assistance under title II, chapter 2, of the Act. The investigations will further relate, as appropriate, to the determination of the date on which total or partial separations began or

threatened to begin and the subdivision of the firm involved.

The petitioners or any other persons showing a substantial interest in the subject matter of the investigations may request a public hearing, provided such request is filed in writing with the Director, Office of Trade Adjustment Assistance, at the address shown below, not later than September 9, 1991.

Interested persons are invited to submit written comments regarding the subject matter of the investigations to the Director, Office of Trade Adjustment Assistance, at the address shown below, not later than September 9, 1991.

The petitions filed in this case are available for inspection at the Office of the Director, Office of Trade Adjustment Assistance, Employment and Training

Administration, U.S. Department of Labor, 200 Constitution Avenue, NW., Washington, DC 20210.

Signed at Washington, DC this 19th day of August 1991.

Marvin M. Fooks,

Director, Office of Trade Adjustment Assistance.

#### APPENDIX

Petitioner (union/workers/firm)	Location	Date received	Date of petition	Petition No.	Articles produced
Abbott and Co (Annex) GMPPAW	Marion, OH	08/19/91	08/07/91	26,202	Wiring Harnesses.
Aluminum Co. of America (ALCOA) USWA	Bauxite, AR	08/19/91	08/05/91	26,203	Chemicals.
American Laminators, Inc. (Wkrs)	Swisshome, OR	08/19/91	07/24/91	26,204	Structural Laminated Timbers.
Anderson Fabric, Inc. (Wkrs)	Crookston, MN	08/19/91	08/07/91	26,205	Draperies, Bedspreads.
Ashland Leather Co (Co)	Ashland, KY	08/19/91	08/05/91	26,206	Leather Tanning.
Burlington Industries, Inc. (Wkrs)	Rocky Mount, NC	08/19/91	08/09/91	26,207	Drapery Cloth.
Carbon/Graphite Group (IUE)	St. Marys, PA	08/19/91	08/09/91	26,208	Electrodes & Specialty Products.
Chop-Fite Manufacturing Co (Wkrs)	Pottstown, PA	08/19/91	08/07/91	26,209	Meat Grinders.
Delber Products, Inc. IAMAW	Perkasie, PA	08/19/91	08/07/91	26,210	Truck Mirrors.
Estacada Lumber (Wkrs)	Estacada, OR	08/19/91	07/25/91	26,211	Lumber.
Exquisite Form Industries, Inc (Wkrs)	Pelham Manor, NY	08/19/91	08/08/91	26,212	Apparel.
GEO Drilling Fluids (Wkrs)	Kalkaska, MI	08/19/91	08/01/91	26,213	Drilling Fluids.
Halliburton Services (Co)	Casper, WY	08/19/91	08/13/91	26,214	Oil & Gas.
Halliburton Services (Co)	Sanangelo, TX	08/19/91	08/13/91	26,215	Oil & Gas.
Halliburton Services (Co)	Drumwright, OK	08/19/91	08/13/91	26,216	Oil & Gas.
Hawker-Siddeley Group Fasco Ind. (Wkrs)	Ozark, MO	08/19/91	07/26/91	26,217	Small Electric Motors.
Humboldt Nat'l Graphics (Wkrs)	N. Abington, MA	08/19/91	07/26/91	26,218	Graphics.
Humboldt Nat'l Graphics (Wkrs)	Portland, ME	08/19/91	07/26/91	26,219	Graphics.
Humboldt Nat'l Graphics (Wkrs)	S. Portland, ME	08/19/91	07/26/91	26,220	Graphics.
Liberty Circle F (Wkrs)	Plainville, CT	08/19/91	08/07/91	26,221	Lamps, Flashlights, Christmas Ornaments.
Metallurgical Exoproducts Co. (Wkrs)	McKees Rock, PA	08/19/91	08/11/91	26,222	Supply Refractory Products to Steel Co.
Northland A Scott Feltzer Co (IBEW)	Watertown, NY	08/19/91	08/05/91	26,223	Fractional HP Motors and Parts.
Owens-Brockway, Inc. GMPPAW	Freehold, NJ	08/19/91	08/08/91	26,224	Glass Containers.
Pennant Service Co (Wkrs)	Sidney, MT	08/19/91	08/05/91	26,225	Oil & Gas.
PGSC Corp (Wkrs)	New Hartford, NY	08/19/91	08/07/91	26,226	Software Packages.
Platt Saco Lowell Corp (Wkrs)	Greenville, SC	08/19/91	08/05/91	26,227	Textile Machinery.
Quality House, Inc. (Co)	Sioux Falls, SD	08/19/91	08/07/91	26,228	Wall Gift Plaques.
Ralco Contracting Co., Inc. ILGWU	Jersey City, NJ	08/19/91	08/02/91	26,229	Table Linens.
Reynolds Metals USWA	Troutdale, OR	08/19/91	08/05/91	26,230	Aluminum.
Springs Industries, Aileen PT. (Wkrs)	Biscoe, NC 27209	08/19/91	07/08/91	26,231	Finished Fabrics.
Springs Industries, Eureka PT. (Wkrs)	Chester, SC 29706	08/19/91	07/08/91	26,232	Apparel Fabrics.
Springs Industries, Lancaster PT. (Wkrs)	Lancaster, SC	08/19/91	07/08/91	26,233	Apparel Fabric.
Springs Industries, Limestone PT. (Wkrs)	Gaffney, SC	08/19/91	07/18/91	26,234	Bottom Weight Material for Mens Suits.
Springs Industries, Wamsutta PT. (Wkrs)	Anderson, SC	08/19/91	07/08/91	26,235	Bottom Weights for Men's Suits.
Telechron, Inc. (Wkrs)	Ashland, MA	08/19/91	07/08/91	26,236	Clocks, Electric Timers and Motors.
Wainoco Oil and Gas Co (Wkrs)	Centerville, PA	08/19/91	08/01/91	26,237	Natural Gas.
White River Industry (Wkr)	Gainesville, MO	08/19/91	08/08/91	26,238	Women's Slacks.

[FR Doc. 91-20863 Filed 8-29-91; 8:45 am]

BILLING CODE 4810-30-M

[TA-W-25;591]

#### Federal Mogul Corp. Blacksburg, VA; Negative Determination on Reconsideration

On June 27, 1991, the Department issued an Affirmative Determination Regarding Application for Reconsideration for workers and former workers of the Federal Mogul Corporation, Blacksburg, Virginia. This notice was published in the *Federal Register* on July 5, 1991 (56 FR 30772).

One of the petitioners claimed that the Department's negative determination

was in error since the investigation concentrated on roller and ball bearings instead of on sleeve bearings.

After reviewing the Department's negative determination, it was apparent that the production of sleeve bearings was not addressed. The Department's denial was based on the fact that the increased import criterion of the Group Eligibility Requirements of the Trade Act was not met. U.S. imports of ball and roller bearings declined in the first six months of 1990 compared to the same period in 1989.

On reconsideration, the Department conducted a survey of Federal Mogul's major declining automobile customers of sleeve bearings to determine whether their reduction in purchases from

Federal Mogul was the result of increased imports of sleeve bearings.

The respondents accounted for a major portion of Federal Mogul's sales decline in 1990. The survey revealed, however, that none of the customers imported sleeve bearings during the relevant period.

Further, early in the administration of the worker adjustment assistance program, the courts ruled on the issue of components and finished articles, in this case sleeve bearings and automobiles, respectively. In *United Shoe Workers of America, AFL-CIO, v. Bedell*, 506 F.2d (DC Circ. 1974) the court held that imported finished women's shoes were not like or directly competitive with shoe components—shoe counters.

Accordingly, increased imports of automobiles cannot be considered in determining import injury to workers producing sleeve bearings.

#### Conclusion

After reconsideration, I affirm the original notice of negative determination of eligibility to apply for adjustment assistance to workers and former workers of the Federal Mogul Corporation in Blacksburg, Virginia.

Signed at Washington, DC, this 19th day of August 1991.

Stephen A. Wandner,

*Deputy Director, Office of Legislation & Actuarial Services, Unemployment Insurance Service.*

[FR Doc. 91-20864 Filed 8-29-91; 8:45 am]

BILLING CODE 4510-30-M

#### LEGAL SERVICES CORPORATION

##### Request for Comments on a Grant Award to Legal Services Agency of Western Carolina, Inc. (LSAWC)

**AGENCY:** Legal Services Corporation.

**ACTION:** Announcement of grant award.

**SUMMARY:** The Legal Services Corporation (LSC) announces its intention to award a one-time, non-recurring grant of \$16,200 in fiscal year 1991 to Legal Services Agency of Western Carolina, Inc. The purpose of making this grant is to enable the Legal Services Agency of Western Carolina, Inc. to continue development of an innovative internship program, using local pre-law and paralegal college/university students as a paralegal resource.

**DATES:** All comments and recommendations must be received on or before the close of business on September 30, 1991.

**ADDRESSES:** Office of Field Services, Legal Services Corporation, 400 Virginia Avenue, SW., Washington, DC 20024-2751.

**FOR FURTHER INFORMATION CONTACT:** Charles T. Moses, III, Deputy Director, Office of Field Services, (202) 863-1837.

**SUPPLEMENTARY INFORMATION:** The Legal Services Corporation is the national independent organization charged with implementing the federally funded system of legal services for low-income persons. It hereby announces its intention to award a grant in the amount of \$16,200 to Legal Services Agency of Western Carolina, Inc. to continue development of an innovative internship program.

It is anticipated that the term of this grant will extend from September 30, 1991 to June 30, 1992.

Interested persons are invited to submit written comments and/or recommendations concerning the above to Charles T. Moses, III, Deputy Director, Office of Field Services.

Dated: August 27, 1991.

Charles T. Moses, III,

*Deputy Director Office of Field Services.*

[FR Doc. 91-20861 Filed 8-29-91; 8:45 am]

BILLING CODE 7050-01-M

#### NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

##### Records Schedules; Availability and Request for Comments

**AGENCY:** National Archives and Records Administration, Office of Records Administration.

**ACTION:** Notice of availability of proposed records schedules; request for comments.

**SUMMARY:** The National Archives and Records Administration (NARA) publishes notice at least once monthly of certain Federal agency requests for records disposition authority (records schedules). Records schedules identify records of sufficient value to warrant preservation in the National Archives of the United States. Schedules also authorize agencies after a specified period to dispose of records lacking administrative, legal, research, or other value. Notice is published for records schedules that (1) propose the destruction of records not previously authorized for disposal, or (2) reduce the retention period for records already authorized for disposal. NARA invites public comments on such schedules, as required by 44 U.S.C. 3303a(a).

**DATES:** Request for copies must be received in writing on or before October 15, 1991. Once the appraisal of the records is completed, NARA will send a copy of the schedule. The requester will be given 30 days to submit comments.

**ADDRESSES:** Address requests for single copies of schedules identified in this notice to the Records Appraisal and Disposition Division (NIR), National Archives and Records Administration, Washington, DC 20408. Requesters must cite the control number assigned to each schedule when requesting a copy. The control number appears in parentheses immediately after the name of the requesting agency.

**SUPPLEMENTARY INFORMATION:** Each year U.S. Government agencies create billions of records on paper, film,

magnetic tape, and other media. In order to control this accumulation, agency records managers prepare records schedules specifying when the agency no longer needs the records and what happens to the records after this period. Some schedules are comprehensive and cover all the records of an agency or one of its major subdivisions. These comprehensive schedules provide for the eventual transfer to the National Archives of historically valuable records and authorize the disposal of all other records. Most schedules, however, cover records of only one office or program or a few series of records, and many are updates of previously approved schedules. Such schedules also may include records that are designated for permanent retention.

Destruction of records requires the approval of the Archivist of the United States. This approval is granted after a thorough study of the records that takes into account their administrative use by the agency of origin, the rights and interests of the Government and of private person directly affected by the Government's activities, and historical or other value.

This public notice identifies the Federal agencies and their subdivisions requesting disposition authority, includes the control number assigned to each schedule, and briefly described the records proposed for disposal. The records schedule contains additional information about the records and their disposition. Further information about the disposition process will be furnished to each requester.

##### Schedules Pending

1. Department of the Air Force (N1-AFU-91-39). Personnel Data System outputs.
2. Department of the Air Force (N1-AFU-91-40). Blood Program technical letters.
3. Department of the Army (N1-AU-91-15). Apprenticeship records.
4. Department of Defense, Office of the Inspector General (N1-330-90-4). Audit case files and related records.
5. Defense Logistics Agency (N1-361-91-14). Quality assurance records.
6. Defense Logistics Agency (N1-361-91-15). Routine health and safety records.
7. Department of Commerce, International Trade Administration, United States Foreign and Commercial Service, Office of Domestic Operations (N1-151-91-2). Revisions to comprehensive records schedule.
8. Consumer Product Safety Commission (N1-424-91-1). Raw data

and questionnaires pertaining to regulations development.

9. Federal Deposit Insurance Corporation, Telecommunications Section (N1-34-91-4). Telephone usage reports.

10. Federal Emergency Management Agency, National Fire Academy (N1-311-91-2). Records relating to visiting officials.

11. Federal Energy Regulatory Commission (N1-138-91-1). Records accumulated by the Interstate Commerce Commission in the valuation of pipelines, ca. 1934-1960.

12. Foreign Economic Administration (N1-169-91-1 and -2). Routine and facilitative records.

13. General Services Administration, Public Buildings Service (N1-121-91-2). Art management and maintenance files and registers of proposed artists and conservators.

14. General Services Administration, Federal Supply Service (N1-137-91-3). Reduction in retention period for miscellaneous Public Utility Program records.

15. Department of Health and Human Services, Family Support Administration, Office of Child Support Enforcement (N1-292-90-3). Grant administration records relating to Community Services, Refugee Resettlement and Family Assistance programs.

16. Department of Health and Human Services, Family Support Administration, Office of Community Services (N1-292-90-5). Audit resolution case files and legal opinion files.

17. Department of Health and Human Services, Centers for Disease Control (N1-442-91-7). Records relating to the Model Performance Evaluation Program and the National Profile of Local Health Departments.

18. Department of Housing and Urban Development, Public Housing Administration (N1-196-89-2). Public Housing Administration administrative records, 1938-68.

19. Department of Justice, Civil Rights Division (N1-60-91-6). Case files and indices of the Office of Redress Administration.

20. Department of Justice, Office of the Deputy Attorney General (N1-60-91-7). Case files of the Mariel Cuban Review Program.

21. National Aeronautics and Space Administration, Marshall Space Flight Center (N1-255-90-6). Documentation in research and development project case files for the Orbital Maneuvering Vehicle that is duplicative or otherwise lacking in historical value.

22. National Aeronautics and Space Administration, Johnson Space Flight

Center (N1-255-91-13). Shuttle payload flight software production data files, 1983-1990.

23. National Aeronautics and Space Administration, Lewis Research Center (N1-255-91-15). Administrative correspondence, local personnel records, visitor logs, and library information requests.

24. National Archives and Records Administration (N1-CRS-91-5). Records created in administering internal control programs.

25. National Archives and Records Administration, National Commission on Law Observance and Enforcement (N2-10-91-1). News clippings, paid vouchers, and listing of editorial changes in the commission's report.

26. Department of Transportation, Maritime Administration (N1-357-91-2). Statements by shipbuilders and ship operators under contract made pursuant to Section 807 of the Merchant Marine Act of 1936.

27. Harry S. Truman Scholarship Foundation (N1-RGP-91-1). Routine and facilitative program records.

28. Department of Treasury, Office of Thrift Supervision, Division of Administrative Services (N1-483-91-4). Building maintenance, renovation, and utility consumption records.

29. Department of Veterans Affairs, Office of Finance and Planning (N1-15-91-4). Microfilm transactions from the Centralized Accounts Receivable System Records (CARS).

Dated: August 21, 1991.

Don W. Wilson,

Archivist of the United States.

[FR Doc. 91-20789 Filed 8-29-91; 8:45 am]

BILLING CODE 7515-01-M

## NATIONAL COMMISSION ON SEVERELY DISTRESSED PUBLIC HOUSING

### Meeting Announcement

**AGENCY:** National Commission on Severely Distressed Public Housing

**ACTION:** Notice of meeting.

**SUMMARY:** In accordance with the Federal Advisory Committee Act, Public Law 92-463, as amended, the National Commission on Severely Distressed Public Housing announces a forthcoming meeting of the Commission.

**DATES:** September 6, 1991, 9:30 a.m.-3 p.m.

**ADDRESSES:** Public Hearing, Abraham Lincoln Center—Auditorium, 3658 South Cottage Grove, Chicago, IL, (312) 373-6600, Contact Person: Diane Rice.

### FOR FURTHER INFORMATION CONTACT:

Carmelita Pratt, Administrative Officer, The National Commission on Severely Distressed Public Housing, 1100 L Street, NW., room 7121, Washington, DC, 20005 (202) 275-6933.

### TYPE OF MEETING: Open.

Due to scheduling difficulties, this notice could not be published 15 days prior to this meeting as required by Federal Advisory Committee Act.

Carmelita R. Pratt,

Administrative Officer.

[FR Doc. 91-20924 Filed 8-29-91; 8:45 am]

BILLING CODE 6820-07-M

### Meeting Announcement

**AGENCY:** National Commission on Severely Distressed Public Housing.

**ACTION:** Notice of meeting.

**SUMMARY:** In accordance with the Federal Advisory Committee Act, Public Law 92-463, as amended, the National Commission on Severely Distressed Public Housing announces a forthcoming meeting of the Commission.

**DATES:** September 9, 1991, 9:30 a.m.-3 p.m.

**ADDRESSES:** Public Hearing, East St. Louis, Contact Person: Stevens Gregory at (618) 271-0498.

### FOR FURTHER INFORMATION CONTACT:

Carmelita Pratt, Administrative Officer, The National Commission on Severely Distressed Public Housing, 1100 L Street, NW., room 7121, Washington, DC 20005, (202) 275-6933.

### TYPE OF MEETING: Open.

Due to scheduling difficulties, this notice could not be published 15 days prior to this meeting as required by Federal Advisory Committee Act.

Carmelita R. Pratt,

Administrative Officer.

[FR Doc. 91-20925 Filed 8-29-91; 8:45 am]

BILLING CODE 6820-07-M

## NATIONAL FOUNDATION FOR THE ARTS AND THE HUMANITIES

### National Endowment for the Arts

#### Expansion Arts Advisory Panel; Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), as amended, notice is hereby given that a meeting of the Expansion Arts Advisory Panel (Overview Section) to the National Council on the Arts will be held on September 25, 1991, from 9:15 a.m.—5:30 p.m. in room 714 at the Nancy



Hanks Center, 1100 Pennsylvania Avenue, NW., Washington, DC 20506.

This meeting will be open to the public on a space available basis. The topics will be introductions, program update, guidelines review/discussion, review of policy discussions from previous panels, discussion of agency initiatives and working groups, and general discussion.

Any interested persons may attend, as observers, meetings, or portions thereof, of advisory panels which are open to the public.

Members of the public attending an open session of a meeting will be permitted to participate in the panel's discussions at the discretion of the chairman of the panel if the chairman is a full-time Federal employee. If the chairman is not a full-time Federal employee, then public participation will be permitted at the chairman's discretion with the approval of the full-time Federal employee in attendance at the meeting, in compliance with this guidance.

If you need special accommodations due to a disability, please contact the Office of Special Constituencies, National Endowment for the Arts, 1100 Pennsylvania Avenue, NW., Washington, DC 20506, 202/682-5532, TTY 202/682-5496, at least seven (7) days prior to the meeting.

Further information with reference to this meeting can be obtained from Ms. Yvonne M. Sabine, Advisory Committee Management Officer, National Endowment for the Arts, Washington, DC 20506, or call (202) 682-5433.

Dated: August 26, 1991.

Yvonne M. Sabine,  
*Director, Council and Panel Operations,  
National Endowment for the Arts.*  
[FR Doc. 91-20794 Filed 8-29-91; 8:45 am]  
BILLING CODE 7537-01-M

#### Inter-Arts Advisory Panel; Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), as amended, notice is hereby given that a meeting of the Inter-Arts Advisory Panel (Art in Alternative Places Section) to the National Council on the Arts will be held on September 17, 1991 from 9 a.m.-5 p.m. in room 730 at the Nancy Hanks Center, 1100 Pennsylvania Avenue, NW., Washington, DC 20506.

A portion of this meeting will be open to the public from 4 p.m.-5 p.m. The topic will be policy discussion.

The remaining portion of this meeting from 9 a.m.-4 p.m. is for the purpose of Panel review, discussion, evaluation, and recommendation on applications for

financial assistance under the National Foundation on the Arts and the Humanities Act of 1995, as amended, including information given in confidence to the agency by grant applicants. In accordance with the determination of the Chairman of June 5, 1991, as amended, this session will be closed to the public pursuant to subsection (c)(4), (6) and (9)(B) of section 552b of title 5, United States Code.

Any interested persons may attend, as observers, meetings, or portions thereof, of advisory panels which are open to the public.

Members of the public attending an open session of a meeting will be permitted to participate in the panel's discussions at the discretion of the chairman of the panel if the chairman is a full-time Federal employee. If the chairman is not a full-time Federal employee, then public participation will be permitted at the chairman's discretion with the approval of the full-time Federal employee in attendance at the meeting, in compliance with this guidance.

If you need special accommodations due to a disability, please contact the Office of Special Constituencies, National Endowment for the Arts, 1100 Pennsylvania Avenue, NW., Washington, DC 20506, 202/682-5532, TTY 202/682-5496, at least seven (7) days prior to the meeting.

Further information with reference to this meeting can be obtained from Ms. Yvonne M. Sabine, Advisory Committee Management Officer, National Endowment for the Arts, Washington, DC 20506, or call (202) 682-5433.

Dated: August 26, 1991.

Yvonne M. Sabine,  
*Director, Council and Panel Operations,  
National Endowment for the Arts.*

[FR Doc. 91-20795 Filed 8-29-91; 8:45 am]  
BILLING CODE 7537-01-M

#### Visual Arts Advisory Panel; Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), as amended, notice is hereby given that a meeting of the Visual Arts Advisory Panel (Overview Section) to the National Council on the Arts will be held on September 26-27, 1991, from 9 a.m.-5:30 p.m. in room 718 at the Nancy Hanks Center, 1100 Pennsylvania Avenue, NW., Washington, DC 20506.

This meeting will be open to the public on a space available basis. The topics will be introductions,

congressional update, agency update, program update, FY 93 guidelines/ Organizations, FY 91 Visual Artists Fellowships, and FY 93/94 guidelines/ Fellowships.

Any interested persons may attend, as observers, meetings, or portions thereof, of advisory panels which are open to the public.

Members of the public attending an open session of a meeting will be permitted to participate in the panel's discussions at the discretion of the chairman of the panel if the chairman is a full-time Federal employee. If the chairman is not a full-time Federal employee, then public participation will be permitted at the chairman's discretion with the approval of the full-time Federal employee in attendance at the meeting, in compliance with this guidance.

If you need special accommodations due to a disability, please contact the Office of Special Constituencies, National Endowment for the Arts, 100 Pennsylvania Avenue, NW., Washington, DC 20506, 202/682-5532, TTY 202/682-5496, at least seven (7) days prior to the meeting.

Further information with reference to this meeting can be obtained from Ms. Yvonne M. Sabine, Advisory Committee Management Officer, National Endowment for the Arts, Washington, DC 20506, or call (202) 682-5433.

Dated: August 26, 1991.

Yvonne M. Sabine,  
*Director, Council and Panel Operations,  
National Endowment for the Arts.*  
[FR Doc. 91-20796 Filed 8-29-91; 8:45 am]  
BILLING CODE 7537-01-M

#### OFFICE OF PERSONNEL MANAGEMENT

##### Establishment of the Director's Advisory Committee on Law Enforcement and Protective Occupations

**AGENCY:** U.S. Office of Personnel Management.

**ACTION:** Notice.

**ESTABLISHMENT OF AN ADVISORY COMMITTEE:** This notice is published in accordance with section 9(a)(2) of the Federal Advisory Committee Act (Pub.L. 92-463) and advises of the establishment of the Director's Advisory Committee on Law Enforcement and Protective Occupations. The Director of the Office of Personnel Management has determined that establishment of this Advisory Committee is in the public interest.



**DESIGNATION:** Director's Advisory Committee on Law Enforcement and Protective Occupations.

**PURPOSE:** The purpose of the Advisory Committee is to provide an opportunity to consult with Federal Agencies, organizations, and employee groups on the establishment of a separate classification and pay system or systems for law enforcement and protective occupations and the development of legislative specifications. The Advisory Committee will be composed of officials from Federal agencies, organizations, and employee groups that employ or represent employees in the occupations under study.

**FOR FURTHER INFORMATION CONTACT:** For additional information, contact Phyllis G. Foley, Director, Law Enforcement and Protective Occupations Task Force, Office of Pay Policy and Programs, Personnel Systems and Oversight Group, Office of Personnel Management, at (202) 606-3710.

U.S. Office of Personnel Management.  
Constance Berry Newman,  
Director.

[FR Doc. 91-20919 Filed 8-29-91; 8:45 am]  
BILLING CODE 5325-01-M

#### **Federal Employees Health Benefits Program: Medically Underserved Areas for 1992**

**AGENCY:** Office of Personnel Management.

**ACTION:** Notice of medically underserved areas for 1992.

**SUMMARY:** The Office of Personnel Management has completed its annual determination of the States that qualify as Medically Underserved Areas under the Federal Employees Health Benefits (FEHB) Program for calendar year 1992. This determination is necessary to comply with a provision of FEHB law that mandates special consideration for enrollees of certain FEHB plans who receive covered health services in States with critical shortages of primary care physicians. Accordingly, for calendar year 1992, OPM has determined that the following States are Medically Underserved Areas under the FEHB Program: Alabama, Idaho, Louisiana, Mississippi, New Mexico, North Dakota, South Dakota, West Virginia, and Wyoming. This list is the same as that for 1991, with the exception of the addition of Alabama.

**EFFECTIVE DATE:** January 1, 1992.

**FOR FURTHER INFORMATION CONTACT:** Abby L. Block, (202) 606-0775, ext. 207.

**SUPPLEMENTARY INFORMATION:** FEHB law (5 U.S.C. 8902(m)(2)) mandates special consideration for enrollees of certain FEHB plans who receive covered health services in States with critical shortages of primary care physicians. Such States are designated as Medically Underserved Areas for purposes of the FEHB Program, and the law requires payment to all qualified providers in these States.

FEHB regulations (5 CFR 890.701) require OPM to make an annual determination of the States that qualify as Medically Underserved Areas for the next calendar year by comparing the latest Department of Health and Human Services State-by-State population counts on primary medical care manpower shortage areas with U.S. Census figures on State resident population.

U.S. Office of Personnel Management.  
Constance Berry Newman,  
Director.

[FR Doc. 91-20921 Filed 8-29-91; 8:45 am]  
BILLING CODE 5325-01-M

#### **Director's Advisory Committee on Law Enforcement and Protective Occupations; Open Meeting**

**AGENCY:** Office of Personnel Management.

**ACTION:** Notice of open meeting.

**SUMMARY:** According to provisions of section 10 of the Federal Advisory Committee Act (Pub.L. 92-463), notice is hereby given that the first meeting of the Director's Advisory Committee on Law Enforcement and Protective Occupations will be held on:

**DATES:** September 17, 1991, 2:30 p.m., Loews L'Enfant Plaza Hotel; 480 L'Enfant Plaza, SW., Washington, DC 20024.

**AGENDA:** The Advisory Committee will consider a separate pay and classification system or systems for law enforcement and protective occupations.

**FOR FURTHER INFORMATION CONTACT:** Phyllis G. Foley, Director, Law Enforcement and Protective Occupations Task Force, Office of Pay Policy and Programs, Personnel Systems and Oversight Group, Office of Personnel Management, room 7H30, 1900 E Street, NW., Washington, DC 20415.

**SUPPLEMENTARY INFORMATION:** If time permits, an opportunity will be provided for members of the public in attendance at the meeting to provide their views. Persons wishing to address the Advisory Committee orally at the meeting should submit a written request no later than

close of business on September 10, 1991. The request must include the name and address of the person wishing to appear, the capacity in which the appearance will be made, a short summary of the intended presentation, and the amount of time desired.

Office of Personnel Management.

Constance Berry Newman,

Director.

[FR Doc. 91-20920 Filed 8-29-91; 8:45 am]

BILLING CODE 5325-01-M

#### **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-29604; File No. SR-DTC-91-09]

#### **Self-Regulatory Organizations; The Depository Trust Company; Order Approving a Proposed Rule Change, on a Temporary Basis, Relating to Adjustable Net Debt Cap of a Participant in the Same Day Fund Settlement System**

August 23, 1991

On April 18, 1991, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") a proposed rule change (File No. SR-DTC-91-09) pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").<sup>1</sup> DTC filed the proposed rule change to amend the formula for calculating the adjustable portion of the net debit cap ("adjustable net debit cap") of a participant in DTC's Same-Day Fund Settlement ("SDFS") system. Notice of the proposed rule change appeared in the *Federal Register* on June 11, 1991.<sup>2</sup> No comments were received regarding the proposed rule change. This order approves the proposed rule change until April 30, 1992.

#### **I. Description of the Proposal**

DTC's proposal will change the formula for determining the adjustable net debit cap for participants in DTC's SDFS system. Under the proposal, DTC will calculate the multiplier, used to determine a participant's adjustable net debit cap, by basing the multiplier on the participant's percentage of required contributions ("effective rate") to the SDFS component of the participants fund ("SDFS Fund"). The multiplier will be equal to 100% dividend by twice the participant's effective rate. A participant's adjustable net debit cap

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> Securities Exchange Act Release No. 29264 (June 3, 1991), 56 FR 26845.

will be determined by multiplying the multiplier by the participant's required and voluntary contributions to the SDFS Fund.

DTC's rules impose a net debit cap in order to safeguard DTC and its participants against settlement risk of a participant default caused by a participant running up an extraordinarily high net debit.<sup>3</sup> The net debit cap limits a participant's net debit throughout the processing day to the lesser of (i) an adjustable net debit cap calculated as a multiple of the participant's required and voluntary contributions to DTC's SDFS Fund, and (ii) a fixed net debit cap, that itself is the least of: (a) 75% of DTC's liquid resources, including lines of credit with potential lenders,<sup>4</sup> (b) an amount, if any, determined by the participant's settling bank, and (c) an amount, if any, determined by DTC.

DTC designed the adjustable net debit cap to protect against abnormal intraday net debit peaks that are out of line with a participant's prior month's average daily level of settlement activity. Currently, a participant's adjustable net debit cap is 15 times the participant's required and voluntary deposits to the SDFS Fund.<sup>5</sup> Each SDFS participant is required to make a deposit to the SDFS Fund based on the participant's average daily gross credits and debits during the prior month. The SDFS fund is capped at \$400 million.<sup>6</sup> Thus, the current formula does not reflect the participant's average activity in the SDFS system. The proposed rule change will enable DTC to calculate a participant's adjustable net debit cap to reflect a participant's activity by basing the formula on the participant's effective rate of contribution to the SDFS Fund.

## II. Discussion

As commercial paper transactions have increased the level of gross credits

and debits in the SDFS system, causing the required contributions to reach the \$400 million ceiling, the effective rate of participant's contributions to the SDFS Fund has declined. Consequently, some participants' adjustable net debit caps have decreased to where they no longer bear a reasonable relationship to the amount of the participants' activity. The proposed rule change will enable DTC to calculate a participant's adjustable net debit cap based on the participant's effective rate of contribution to the SDFS Fund. This will enable DTC to determine a participant's adjustable net debit cap based on the participant's activity in DTC's SDFS system.

Without a change to the current formula, processing delays could arise as some participants hit their caps earlier and more often during the day. This may lead to gridlock in the SDFS system if such delays become widespread. A participant reaching its adjustable net debit cap could wire Fed Funds to DTC in order to lower its net debits or raise its adjustable net debit caps by making voluntary contributions to the SDFS Fund. This may not minimize delays because of the time it takes to wire Fed Funds to DTC or make a voluntary contribution to the SDFS Fund. The proposal will facilitate the flow of transactions by decreasing the chances of a participant's delivery being blocked by the receiving participant's adjustable net debit cap.

The Commission has previously expressed its concern that DTC may have set the cap on required SDFS Fund contributions (currently set at \$400 million) too low because individual participants will not have made a contribution adequate enough to protect against loss to DTC in the event of that participant's default. In many respects, the proposal under consideration today can be viewed as a direct consequence of reducing required participant fund contributions. The Commission understands that DTC believes that \$400 million is an adequate fund, in the aggregate, to protect DTC against default risks, taking into account that every transfer against value must be collateralized with countervalue. The Commission approved the \$400 million cap on participant contributions as a part of its temporary approval of DTC's commercial paper program until April 30, 1992. Accordingly, because this proposal is related to the adequacy of DTC's cap on required clearing fund contributions, the Commission is similarly approving this proposal until April 30, 1992.

In the interim, the Commission believes adequate safeguards exist for

approval of the proposal on a temporary basis pending further consideration. All debits in the SDFS system must be collateralized by securities, cash, or other deposits subject to deductions that reflect potential changes in the market value of those assets. A participant's net debits also may not exceed DTC's fixed net debit cap, which ensures that DTC has sufficient liquid resources to complete settlement in the event of a participant default. Moreover, if DTC or the participant's settling bank is uncomfortable with a participant's adjustable net debit cap, DTC or the participant's settling bank may reduce the cap.

## III. Conclusion

For the reasons discussed above, the Commission finds that the proposal is consistent with the requirements of the Act, particularly with section 17A of the Act, and the rules and regulations thereunder.

*It is therefore Ordered*, Pursuant to section 19(b)(2) of the Act, that the proposed rule change (File No. SR-DTC-91-09) be, and hereby is, approved on a temporary basis through April 30, 1992.<sup>7</sup>

For the Commission, by the Division of Market Regulation pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

FR Doc. 91-20799 Filed 8-29-91; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-29603; File No. SR-SCCP-91-05]

## Self-Regulatory Organizations; Stock Clearing Corporation of Philadelphia; Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Revisions to Certain Fees Charged to Participants for the Clearance and Settlement of Basket Trades

August 23, 1991.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on July 25, 1991, the Stock Clearing Corporation of Philadelphia ("SCCP") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

<sup>7</sup> The end of this approval period coincides with the end of the approval period for DTC's Commercial Paper program. See *supra* note 3.

<sup>3</sup> DTC's SDFS system controls and safeguards designed to minimize risks of losses in the event of participant default includes: (i) net debit collateralization, (ii) required contributions to the SDFS component of the participants fund, (iii) net debit caps (iv) receiver-authorized delivery procedures, (v) net and net-net settlement, and (vi) failure-to-settle procedures. Securities Exchange Act Release No. 28518 (October 5, 1990), 55 FR 42114.

<sup>4</sup> As of August 21, 1991, the fixed net debit cap was approximately \$319 million (i.e., 75 percent of DTC's liquid resources of \$425 million). Letter from Richard B. Nesson, General Counsel and Senior Vice President, DTC, to Anthony R. Bosch, Attorney Advisor, Division of Market Regulation, Commission, dated August 21, 1991.

<sup>5</sup> At the introduction of commercial paper transactions to DTC's SDFS system, DTC increased the multiplier from 10 to 15. Securities Exchange Act Release No. 28424 (September 11, 1990), 55 FR 38428.

<sup>6</sup> Securities Exchange Act Release No. 28515, (October 3, 1990) 55 FR 41401.

### **I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

The Stock Clearing Corporation of Philadelphia ("SCCP") proposes as a rule change, fees for the clearance and settlement of basket trades.

### **II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, SCCP included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. SCCP has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.

#### **A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

The fee filing schedule for the clearance and settlement of basket trades are based upon SCCP's 1988 pilot fees which were filed pursuant to section 19(b)(3)(A) of the Exchange Act. These pilot fees have operated smoothly without any detrimental impact to SCCP or its participants; consequently, SCCP now submits these fees for permanent approval.

With the emergence of stock index related instruments and the development of fast and efficient stock execution mechanisms, the 1980s have given rise to "basket trading" whereby relatively risk-free, locked-in rates of return are achieved through the purchase or sale of stock index futures or options with simultaneous and off-setting sale or purchase of baskets of stocks replicating those index positions.<sup>1</sup> SCCP's fee schedule traditionally has recognized the costs and appropriate fees associated with various types of trades. For example, SCCP's current schedule of charges establishes separate trading recording charges and value charges for regular trades, PACE trades, municipal bond trades and trades between two accounts. In this regard, SCCP believes that basket trades represent a distinct

type of trade with correspondingly different clearing implications. First, the stock execution portion of a basket trade is one generally in highly capitalized listed stocks, e.g., S&P 500 stocks. Moreover, because of the generally large dollar amount of the executed stock portion of a basket trade, imposition of a clearing value charge could make basket trading prohibitively expensive. Accordingly, SCCP, desirous of attracting the business of participants whom engage in basket trading to clear the stock execution side of those trades, has established its fee schedule in order to accommodate this type of business. The fees will be added to the published SCCP Schedule of Charges as follows:

#### **Trading Recording Charge**

##### **Basket Trade**

\$0.60 per side for participants with 1 to 2,000 basket trades per month  
\$0.54 per side for participants with 2,001 to 6,000 basket trades per month  
\$0.48 per side for participants with 6,001 to 10,000 basket trades per month  
\$0.40 per side for participants with over 10,000 sides per month

##### **Value Charge: None**

Additionally, discounts from the Philadelphia Depository Trust Company are not applicable.

Before authorizing any participant to utilize the fees, SCCP will determine that such participant is engaged in bona fide basket trading and have assurance that only that segment of the participant's business is availed of the fees. In this regard, SCCP will coordinate with the organization that clears the participant's index futures/options leg of its basket trades to assure that the stock side of the trade is properly off-set. While the participant's fund contribution will be established and revised based on the quantity and type of basket trading in which it engages, SCCP will also enhance its internal risk management department and will review daily, via a mark-to-market report, potential exposure and specifics relating to trading activity of the basket trading participant.

SCCP believes that the proposed rule change is consistent with section 17A(b)(3)(D) of the Act in providing for equitable allocations of reasonable dues, fees and other charges among participants.<sup>2</sup> In this regard, SCCP believes it has the computer and systems capacity to process the clearance and settlement of basket trades. Because of the computer efficiency of handling the high trade

volumes attendant to basket trading and in order to attract this type of business to the clearing corporation, SCCP believes that the substantial clearing fee discounts entailed by the new fees are appropriate under the Act.

#### **B. Self-Regulatory Organization's Statement on Burden on Competition**

SCCP does not perceive any burdens on competition as a result of the proposed rule change, which is intended to provide a specialized fee schedule for clearance and settlement of a particular type of trade.

#### **C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others**

No comments have been solicited or received.

### **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing rule change has become effective pursuant to section 19(b)(3)(A) of the Securities Exchange Act of 1934 and subparagraph (e) of Securities Exchange Act Rule 19b-4 because the proposed rule change establishes or changes a due, fee, or other charge imposed by the self-regulatory organization.<sup>3</sup> At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Securities Exchange Act of 1934.

### **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section,

<sup>1</sup> SCCP's definition of "basket trading" corresponds to the Commission's Division of Market Regulation's definitions of "portfolio insurance" and "index arbitrage" as delineated in The October 1987 Market Break. A Report by the Division of Market Regulation, U.S. Securities and Exchange Commission, dated February 1988 at pp. 1-2, 1-3.

<sup>2</sup> 15 U.S.C. 78q-1(b)(3)(D).

<sup>3</sup> 15 U.S.C. 78a(b)(3)(A).

450 Fifth Street NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principle office of SCCP. All submissions should refer to File No. SR-SCCP-91-05 and should be submitted by September 23, 1991.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Jonathan G. Katz,  
Secretary.

[FR Doc. 91-20800 Filed 8-29-91; 8:45 am]

BILLING CODE 6010-01-M

[Rel No. IC-18287; File No. 812-7698]

### The Variable Annuity Life Insurance Company, et al.

August 23, 1991.

**AGENCY:** Securities and Exchange Commission ("SEC").

**ACTION:** Notice of Application for Exemption under the Investment Company Act of 1940 (the "Act").

**APPLICANTS:** The Variable Annuity Life Insurance Company ("VALIC"), The Variable Annuity Life Insurance Company Separate Account A ("Separate Account A"), American General Life Insurance Company of New York ("AGNY"), American General Life Insurance Company of New York Separate Account E ("Separate Account E"), American General Life Insurance Company of Delaware ("AG Life"), and American General Life Insurance Company of Delaware Separate Account D ("Separate Account D") (VALIC, Separate Account A, AGNY, Separate Account E, AG Life and Separate Account D are referred to collectively as the "Substitution Applicants"); American General Series Portfolio Company ("AGSPC"), American Capital Life Investment Trust (the "LIT Fund"), American General Equity Accumulation Fund, Inc. ("ACAM Equity"), American General Fixed-Income Accumulation Fund, Inc. ("ACAM Fixed-Income"), and American General Money Market Accumulation Fund, Inc. ("ACAM Money Market," together with ACAM Equity and ACAM Fixed-Income, the "ACAM Funds") (AGSPC, the LIT Fund, and the ACAM Funds referred to collectively as the "Fund Applicants")

**RELEVANT 1940 ACT SECTIONS:** Order requested under section 26(b), approving the substitution of shares (the "Substitutions") of AGSPC and the LIT Fund for shares of the ACAM Funds, and, under section 17(b) or, alternatively, under section 6(c), granting exemptions from sections

17(a)(1) and 17(a)(2) of the Act to the extent necessary to permit the transfer of portfolio securities of the ACAM Funds to AGSPC and the LIT Fund.

**SUMMARY OF APPLICATION:** Substitution Applicants seek an order approving the substitution of shares of AGSPC and the LIT Fund for shares of the ACAM Funds. All Applicants seek an order approving the transfer of portfolio securities of the ACAM Funds to AGSPC and the LIT Fund.

**FILING DATE:** The application was filed on March 12, 1991. Amendment No. 1 to the application was filed on July 31, 1991 and Amendment No. 2 was filed on August 23, 1991.

**HEARING OR NOTIFICATION OF HEARING:** If no hearing is ordered, the application will be granted. Any interested person may request a hearing on the application or ask to be notified if a hearing is ordered. Any request must be received by the SEC by 5:30 p.m., on September 18, 1991. Request a hearing in writing, giving the nature of your interest, the reason for the request, and the issues you contest. Serve the Applicants with the request, either personally or by mail, and also send a copy to the Secretary of the SEC, along with proof of service by affidavit, or, for lawyers, by certificate. Request notification of the date of a hearing by writing to the Secretary of the SEC.

**ADDRESSES:** Secretary, SEC, 450 Fifth Street NW., Washington, DC 20549. VALIC, AGNY and AGSPC, 2929 Allen Parkway, Houston, Texas 77019. AG Life, 2727 Allen Parkway, Houston, Texas 77019. LIT fund and ACAM Funds, 2800 Post Oak Boulevard, Houston, Texas 77056.

**FOR FURTHER INFORMATION CONTACT:** Thomas E. Bissett, Staff Attorney at (202) 272-2058 or Heidi Stam, Assistant Chief, Office of Insurance Products and Legal Compliance at (202) 272-2060 (Division of Investment Management).

**SUPPLEMENTARY INFORMATION:** Following is a summary of the application; the complete application is available for a fee from the SEC's Public Reference Branch.

#### APPLICANTS' REPRESENTATIONS:

1. VALIC, AGNY and AG Life are stock life insurance companies and are wholly-owned subsidiaries of American General Corporation. VALIC, AGNY and AG Life maintain and operate Separate Accounts A, E and D (the "Separate Accounts"), respectively. The Separate Accounts are registered under the Act as unit investment trusts. Each Separate Account is further divided into divisions that invest in the ACAM Funds. The ACAM Funds are registered

under the Act as diversified, open-end management investment companies. American Capital Asset management, Inc. ("ACAM") is the investment adviser for the ACAM Funds.

2. The Separate Accounts serve as a funding medium for various forms of variable annuity contracts. The contracts include contracts (the "Contracts") that provide for investment of Separate Account assets in the ACAM Funds. VALIC, AGNY and AG Life have ceased actively marketing the Contracts.

3. AGSPC and the LIT Fund are each registered under the Act as a diversified open-end management series investment company. AGSPC's series include the Quality Growth Fund ("AGSPC Quality Growth"), Capital Conservation Fund ("AGSPC Capital Conservation") and Money Market Fund ("AGSPC Money Market"). The LIT Fund's series include American Capital Common Stock Portfolio ("LIT Common Stock"), American Capital Corporate Bond Portfolio (LIT Corporate Bond") and American Capital Money Market Portfolio ("LIT Money Market"). VALIC and ACAM serve as the investment advisers for AGSPC and the LIT Fund, respectively.

4. The ACAM Funds have experienced substantial net redemptions over the past several years. The ACAM Funds' management has discussed with VALIC, AG Life, and AGNY various means to reverse the trend. These discussions eventually led the Substitution Applicants to pursue substitutions. VALIC and AGNY each propose to substitute shares of AGSPC Quality Growth, AGSPC Capital Conservation and AGSPC Money Market for shares of ACAM Equity, ACAM Fixed Income, and ACAM Money Market, respectively. AG Life proposes to substitute shares of LIT Common Stock LIT Corporate Bond, and LIT Money Market for shares of the ACAM Equity, ACAM Fixed Income, and ACAM Money Market, respectively.

5. AGSPC Quality Growth and LIT Common Stock each has a primary investment objective of capital growth that is similar to that of ACAM Equity; AGSPC Capital Conservation and the LIT Corporate Bond each has a primary investment objective of maximum current income, through investment in debt and other income-producing securities, that is similar to that of the ACAM Fixed-Income; and AGSPC Money Market and LIT Money Market each has a primary investment objective of protection of capital and high current income, through investment in short-term money-market investments, that is

similar to that of ACAM Money Market. The funds also have similar investment policies and practices and similar or identical organizational structures. The investment performance of each of the AGSPC and LIT Fund series compares favorably with that of the corresponding ACAM Fund over extended periods. The Substitutions will not alter the Contract values; benefits or contractual obligations of Applicants.

6. The total operating expenses of each of the AGSPC and LIT Fund series are within the range of those of each corresponding ACAM Fund. The expenses of the AGSPC portfolios as a percentage of average net assets for the most recent fiscal year are less than the comparable expenses of the relevant ACAM Fund. The expenses of the LIT Fund portfolios (before reimbursement of expenses by ACAM) as a percentage of average net assets for the most recent fiscal year are higher than the comparable expenses of the relevant ACAM Fund. However, the LIT fund's expenses are subject to reduction by a voluntary undertaking of ACAM to reimburse for all ordinary expenses in excess of .60% of the average daily net assets. The duration of the voluntary expense reimbursement is not defined, but the registration statement of the LIT Fund states that for the fiscal year ending December 31, 1990: "each Portfolio's net total operating expenses were .60% per year of the average net assets of each such Portfolio by reducing the advisory fee and/or bearing other expenses of a Portfolio in excess of such limitation." In addition, the LIT Fund's investment advisory agreement contains a contractual reimbursement for all ordinary business expenses in excess of .95% of the average daily net assets, should the voluntary reimbursement be removed. After ACAM's voluntary reimbursement, each LIT Fund's expenses as a percentage of average net assets for the last fiscal year were less than the relevant ACAM Fund's expenses as a percentage of average net assets for that same period.

7. VALIC, AGNY and AG Life each mailed to their respective contract owners prospectus supplements describing the proposed Substitutions. The VALIC supplement disclosed that VALIC contract owners may transfer accumulation values or annuity values invested in any of the divisions of Separate Account A invested in the ACAM Funds to any other division available under the VALIC Contracts or VALIC's general account at any time before or after the proposed Substitutions. The AGNY supplement notified contract owners that AGNY will

waive all transfer restrictions and all transfer and deferred sales charges imposed under the Contracts for a period beginning with the mailing of the supplement and extending through 60 days thereafter. The AG Life supplement notified contract owners that AGE Life will waive the deferred sales load imposed under the Contracts for a period beginning with the effecting of the Substitution and extending through 60 days thereafter.

8. The Substitution Applicants intend to place their respective redemption orders with the ACAM Funds and their respective purchase orders with AGSPC and the LIT Fund on the day the Substitutions are to be effected, before the time at which the ACAM Funds price their shares for redemption and AGSPC and the LIT Fund each prices its shares for purchase. Consequently, the ACAM Funds will effect the redemptions of their shares by the Substitution Applicants at the same instant that AGSPC and the LIT Fund will effect the purchases of their shares by respective Substitution Applicants. Within five days after the Substitutions, VALIC, AGNY and AG Life will each mail to their respective contract owners (i) a notice of the substitution, including an identification of the ACAM Funds shares eliminated and the AGSPC or the LIT Fund shares substituted; (ii) a specification of the shares indirectly owned by each of the contract owners affected by the Substitutions; and (iii) confirmation that the number of units held by a contract owner, and the value of those units, remain the same immediately after the Substitutions.

9. VALIC, AGNY and AG Life will bear all expenses directly attributable to the Substitutions. ACAM, VALIC, AGNY and/or AG Life will pay any expenses, direct or indirect, attributable to the cessation of the ACAM Funds.

10. VALIC, AGNY and AG Life each believes, based on its review of existing federal income tax laws and regulations, that its Substitution will not give rise to any tax liability or to any adverse tax consequences for contract owners, annuitants or beneficiaries. This conclusion is based on each company's view that there is no tax effect for its contract owners, annuitants or beneficiaries of a transfer among investment divisions of its separate account.

11. The Substitution Applicants respectively submit that both AGSPC substitute portfolios and the LIT Fund substitute portfolios compare favorably with the respective ACAM Funds in terms of the protections afforded contract owners. VALIC contract

owners have the option of transferring to any one of the other divisions or the general account without limitation. AGNY and AG Life contract owners who are dissatisfied with any one of the substituted portfolios have the option of surrendering their Contracts without incurring a surrender charge. Based on the foregoing, each Substitution Applicant submits that the evidence establishes that its Substitution is consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act, as required by section 26(b) of the Act.

12. VALIC, Separate Account A, AGNY and Separate Account E intend to redeem their shares of the ACAM Funds, request the ACAM Funds to pay the redemption proceeds in kind, and instruct the ACAM Funds to transfer the redemption-in-kind proceeds to each appropriate series of AGSPC as payment for shares of ABSPC. AG Life and Separate Account D intend to redeem their shares of the ACAM Funds, request the ACAM Funds to pay the redemption proceeds in kind, and instruct the ACAM Funds to transfer the redemption-in-kind proceeds to the appropriate series of the LIT Fund as payment for shares of the LIT Fund. The Substitution Applicants presently intend to redeem their respective shares of ACAM Money Market in cash and to apply the cash proceeds to purchase shares of the appropriate substitute portfolio. Nevertheless, ACAM Money Market has joined a Fund Applicant against the possibility that the redemption proceeds may be paid in kind. Applicants do not anticipate that it will be necessary for AGSPC and the LIT Fund to realign their portfolios after receiving the redeemed securities to remain consistent with their investment policies.

13. Individual Applicants may be deemed to be an affiliated person of one or more of the Fund Applicants involved in the proposed transactions, or an affiliated person of such a person, for purposes of sections 17(a)(1) and 17(a)(2) of the Act. Therefore, the redemption-in-kind transactions may be deemed to involve one or more purchases and sales of securities by affiliated persons of investment companies, or affiliated persons of such persons, within the meaning of section 17(a)(1) and 17(a)(2) of the Act. Applicants request exemption from sections 17(a)(1) and 17(a)(2) of the Act, pursuant to section 17(b), or, alternatively, pursuant to section 6(c) of the Act.

14. Applicants maintain that the purpose of the redemption-in-kind transactions is to protect the best interests of contract owners by avoiding unnecessary brokerage and transaction costs that the contract owners would otherwise be required to absorb in connection with a cash redemption. Each respective Applicant will own an interest in the portfolio securities through AGSPC or the LIT Fund immediately after the transactions, as it did through the ACAM Funds immediately before the transactions. The value of the portfolio securities underlying each Applicant's interest immediately after the transactions will be the same immediately before the transactions. The value of contract owner interests in each Applicant immediately after the proposed transactions will not differ from the value of such interests immediately before the proposed transactions and the relative values of the interests of contract owners of each of the Applicants will remain unchanged.

15. The proposed transactions involved in the Substitutions comply with the spirit of Rule 17a-7 of the Act. Fund Applicants represent that they will comply with the conditions set forth in paragraphs (b), (c), (d), (e), and (f) of rule 17a-7. Paragraph (a) of Rule 16a-7 requires that the transaction be "for no consideration other than cash payment." Because the Substitutions will involve a transfer of portfolio securities in kind, the consideration involved will be other than cash. Nonetheless, each Fund Applicant represents that the Substitutions will be effected pursuant to each Fund Applicant's procedures for valuing portfolio securities.

16. The transactions effecting the Substitutions including the redemption of the shares of the ACAM Funds and the purchase of the shares of AGSPC and the LIT Fund will be effected in conformity with section 22(c) of the Act and Rule 22c-1 thereunder.

17. Based on the foregoing, Applicants submit that the terms of their own proposed transactions, including the consideration to be paid and received, are reasonable and fair, do not involve overreaching on the part of any person concerned, are consistent with the policies of each investment company concerned, and are consistent with the general purposes of the Act. Applicants each further submit that the requested exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

For the SEC, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 91-20904 Filed 8-29-91; 8:45 am]

BILLING CODE 8010-01-M

## SUSQUEHANNA RIVER BASIN COMMISSION

### Re-Proposed Project Review Filing and Monitoring Fee Schedule

**AGENCY:** Susquehanna River Basin Commission (SRBC).

**ACTION:** Notice of public hearing on re-proposed project review filing and monitoring fee schedule.

**SUMMARY:** The public hearing will be held on Wednesday, October 2, 1991 at 10 a.m.

**ADDRESSES:** The hearing will be held at the Pennsylvania Game Commission Headquarters Auditorium, 2001 Elmerton Avenue, Harrisburg, PA. Written comments should be submitted to Richard A. Cairo, Secretary to the Commission, at 1721 N. Front St., Harrisburg, PA. 17102-2391.

**FOR FURTHER INFORMATION CONTACT:** Richard A. Cairo, Secretary to the Commission (717) 238-0423.

**SUPPLEMENTARY INFORMATION:** The Susquehanna River Basin Commission will hold another public hearing to receive comments from citizens, government agencies and others on a re-proposed project review filing and monitoring fee schedule.

The fee schedule was first proposed in two alternative forms on April 10, 1991, in the *Federal Register*, p. 14556, and later in the signatory State registers and bulletins. A public hearing was also held on May 23, 1991. As a result of comments reviewed at that hearing and numerous other comments, both written and oral, from concerned citizens, legislators and government officials, the Commission chose Alternative 1 and made several significant amendments to Alternative 1. A re-proposed version of the fee schedule was then published in the *Federal Register* on July 26, 1991, at p. 34235 with a request for written comments by August 31, 1991. The re-proposal was also published in the *Pennsylvania Bulletin*, the *Maryland Register* and the *New York Register*.

Since re-publication, it has become apparent to the Commission from comments, phone inquiries and meetings with interested parties that further discussion of the fee schedule proposal is needed so that all points of view can

be aired and all questions answered. For this reason, the Commission has scheduled another public hearing as stated above.

The hearing will be informal in nature. Interested parties are invited to attend the hearing and to participate by making oral or written statements presenting their data, views and comments on the re-proposed fee schedule. Those wishing to personally appear to present their views are urged to notify the Commission in advance that they desire to do so, though this will not be a prerequisite.

More information, along with a copy of the re-proposed fee schedule as printed in the *Federal Register* may be obtained by contacting Richard A. Cairo, Susquehanna River Basin Commission, 1721 N. Front St., Harrisburg, PA 17102-2391 (717) 238-0423.

**Authority:** Susquehanna River Basin Compact, 84 Stat 1509 *et seq.*

Dated: August 23, 1991.

Richard A. Cairo,

Secretary to the Commission.

[FR Doc. 91-20793 Filed 8-29-91; 8:45 am]

BILLING CODE 7040-01-M

## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

#### Fitness Determination of Air Southeast, Inc.

**AGENCY:** Department of Transportation.

**ACTION:** Notice of Commuter Air Carrier Fitness Determination—Order 91-8-56, Order to Show Cause.

**SUMMARY:** The Department of Transportation is proposing to find Air Southeast, Inc., fit, willing, and able to provide commuter air service under section 419(e) of the Federal Aviation Act.

**RESPONSES:** All interested persons wishing to respond to the Department of Transportation's tentative fitness determination should file their responses with the Air Carrier Fitness Division, P-56, Department of Transportation, 400 Seventh Street, SW., room 6401, Washington, DC 20590, and serve them on all persons listed in Attachment A to the order. Responses shall be filed on later than September 10, 1991.

**FOR FURTHER INFORMATION CONTACT:** Carol A. Woods, Air Carrier Fitness Division (P-56, room 6401), U.S. Department of Transportation, 400 Seventh Street, SW., Washington, DC 20590, (202) 366-2340.



Dated: August 23, 1991.

Jeffrey N. Shane,

Assistant Secretary for Policy and  
International Affairs.

[FR Doc. 91-20791 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-62-M

## Federal Aviation Administration

[Summary Notice No. PE-91-32]

### Petitions for Exemption; Summary of Petitions Received; Dispositions of Petitions Issued

**AGENCY:** Federal Aviation  
Administration (FAA), DOT.

**ACTION:** Notice of petitions for  
exemption received and of dispositions  
of prior petitions.

**SUMMARY:** Pursuant to FAA's  
rulemaking provisions governing the  
application, processing, and disposition  
of petitions for exemption (14 CFR part  
11), this notice contains a summary of  
certain petitions seeking relief from  
specified requirements of the Federal  
Aviation Regulations (14 CFR chapter I),  
dispositions of certain petitions  
previously received, and corrections.  
The purpose of this notice is to improve  
the public's awareness of, and  
participation in, this aspect of FAA's  
regulatory activities. Neither publication  
of this notice nor the inclusion or  
omission of information in the summary  
is intended to affect the legal status of  
any petition or its final disposition.

**DATES:** Comments on petitions received  
must identify the petition docket number  
involved and must be received on or  
before September 18, 1991.

**ADDRESSES:** Send comments on any  
petition in triplicate to: Federal Aviation  
Administration, Office of the Chief  
Counsel, Attn: Rule Docket (AGC-10),  
Petition Docket No. \_\_\_\_\_, 800  
Independence Avenue SW.,  
Washington, DC 20591.

The petition, any comments received,  
and a copy of any final disposition are  
filed in the assigned regulatory docket  
and are available for examination in the  
Rules Docket (AGC-10), room 915G,  
FAA Headquarters Building (FOB 10A),  
800 Independence Avenue SW.,  
Washington, DC 20591; telephone (202)  
267-3132.

**FOR FURTHER INFORMATION CONTACT:**  
Mr. C. Nick Spithas, Office of  
Rulemaking (ARM-1), Federal Aviation  
Administration, 800 Independence  
Avenue, SW., Washington, DC 20591;  
telephone (202) 267-9683.

This notice is published pursuant to  
paragraphs (c), (e), and (g) of § 11.27 of

part 11 of the Federal Aviation  
Regulations (14 CFR part 11).

Issued in Washington, DC, on August 22,  
1991.

Denise Donohue Hall,

Manager, Program Management Staff, Office  
of the Chief Counsel.

### Petitions for Exemption

*Docket No.:* 25025.

*Petitioner:* Continental Airlines, Inc.

*Sections of the FAR Affected:* 14 CFR  
121.371(a) and 121.378.

*Description of Relief Sought:* To renew  
Exemption No. 4727B which allows  
Continental Airlines, Inc. to contract  
with original equipment  
manufacturers (OEM) and foreign  
repair stations which are certificated  
and appropriately rated under the  
French, Italian, West German, and  
United Kingdom Civil Aviation  
Authorities for inspection, repair, and  
overhaul of selected aircraft parts to  
support its Airbus Industrie (Airbus)  
A-300 Aircraft program.

*Docket No.:* 26582.

*Petitioner:* Air Transport Association of  
America.

*Sections of the FAR Affected:* 14 CFR  
61.3(a)(c), 61.29(c), 63.3, 63.16(d) and  
121.383(a)(2).

*Description of Relief Sought:* To exempt  
Air Transport Association of America  
from 14 CFR 61.3(a)(c), 61.29(c), 63.3,  
63.16(d) and 121.383(a)(2) of the  
Federal Aviation Regulations to allow  
part 121 domestic, flag, or  
supplemental operators to establish  
approved special procedures that  
would allow the operator to issue  
temporary confirmation of any  
required airman certificate. This  
procedure would serve in lieu of the  
FAA telegraphic certificate  
confirmation provided for in  
§§ 61.29(c) and 63.16(d) in those  
situations for which there is  
insufficient time for the airman to  
obtain certificate confirmation from  
FAA prior to operating a scheduled  
flight.

*Docket No.:* 26624.

*Petitioner:* Geotech International, Ltd.  
and The Mil Design Bureau.

*Sections of the FAR Affected:* 14 CFR  
133.19 and 133.21.

*Description of Relief Sought:* To allow  
the petitioners to conduct external  
load rotorcraft operations within the  
United States with Soviet registered  
MI-26 rotorcraft operated by Soviet  
licensed crews.

### Dispositions of Petitions

*Docket No.:* 26350.

*Petitioner:* Cummings Rigging Works.

*Sections of the FAR Affected:* 14 CFR  
65.127(a).

*Description of Relief Sought/*

*Disposition:* To exempt Mr. Ed  
Cummings from § 65.127(a) of the  
Federal Aviation Regulations to the  
extent necessary to allow Mr.  
Cummings to exercise the privileges of  
a certificated master parachute rigger  
without having available a smooth top  
table at least three feet wide by 40  
feet long. *Denial, August 09, 1991.*  
*Exemption No. 5335*

*Docket No.:* 26378

*Petitioner:* MTU Maintenance GmbH.

*Sections of the FAR Affected:* 14 CFR  
145.47(c).

*Description of Relief Sought/*

*Disposition:* To exempt MTU  
Maintenance GmbH (MTU-H) from  
§ 145.47(c) of the Federal Aviation  
Regulations to allow MTU-H to  
extend its certification privileges as  
an approved foreign repair station to  
contract out the maintenance and  
repair of engine components of  
International Aero Engines AG (IAE)  
Model V2500 turbine engines to  
facilities that are not certificated  
repair stations, U.S. original  
equipment manufacturers, or  
approved manufacturing licensees for  
such engines. *Grant, August 16, 1991.*  
*Exemption No. 5337*

*Docket No.:* 26617.

*Petitioner:* Charlotte Aircraft  
Corporation.

*Sections of the FAR Affected:* 14 CFR  
91.805.

*Description of Relief Sought/*

*Disposition:* To allow Charlotte  
Aircraft Corporation to conduct a  
single operation from Mojave,  
California to Atlantic City, New  
Jersey and deliver to Federal Aviation  
Administration's Technical Center  
two Convair 880-22 aircraft  
(Registration No. N801AJ), Serial No.  
03 and Registration No. N807AJ, Serial  
No. 13) without complying with  
current noise regulations. *Grant,*  
*August 15, 1991, Exemption No. 5336*

[FR Doc. 91-20823 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-13-M

### Radio Technical Commission for Aeronautics (RTCA), RTCA Executive Committee; Minimum Operational Performance Standards for Aircraft Audio Systems and Equipment; Meeting

Pursuant to section 10(a)(2) of the  
Federal Advisory Committee Act (Pub.  
L. 92-463, 5 U.S.C., appendix I), notice is  
hereby given for a meeting of the RTCA  
Executive Committee to be held August



29, 1991, in the RTCA Conference Room, 1140 Connecticut Avenue, NW., suite 1020, Washington, DC 20036, commencing at 1 p.m.

The agenda for this meeting is as follows: (1) Chairman's remarks and introduction; (2) Consider proposal to restructure RTCA; (3) Date and place of next meeting.

Attendance is open to the interested public but limited to space available. With the approval of the Chairman, members of the public may present oral statements at the meeting. Persons wishing to present statements or obtain information should contact the RTCA Secretariat, One McPherson Square, 1425 K Street, NW., suite 500, Washington, DC 20005; (202) 682-0266. Any member of the public may present a written statement to the committee at any time.

Issued in Washington, DC, on August 20, 1991.

*Siobhan A. DeLoatch,*

*Designated Officer.*

[FR Doc. 91-20820 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-13-M

#### **Transport Airplane and Engine Subcommittee of the Aviation Rulemaking Advisory Committee; Meeting**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of meeting.

**SUMMARY:** The FAA is issuing this notice to advise the public of a meeting of the Federal Aviation Administration Transport Airplane and Engine Subcommittee of the Aviation Rulemaking Advisory Committee.

**DATES:** The meeting will be held on September 26, 1991, at 8 a.m. Arrange for oral presentations by September 13, 1991.

**ADDRESSES:** The meeting will be held in the Conference Room E, Building 800, Douglas Aircraft Company, 3855 Lakewood Boulevard, Long Beach, CA 90846.

**FOR FURTHER INFORMATION CONTACT:** Ms. Marge Ross, Aircraft Certification Service (AIR-1), 800 Independence Avenue SW., Washington, DC 20591, telephone (202) 267-8235.

**SUPPLEMENTARY INFORMATION:** Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463; 5 U.S.C. App. II), notice is hereby given of a meeting of the Transport Airplane and Engine Subcommittee to be held on September 26, 1991, in the Conference Room E, Building 800, Douglas Aircraft

Company, 3855 Lakewood Boulevard, Long Beach, CA 90856. The agenda for this meeting will include:

- A briefing from the staff of the FAA Aircraft Certification Transport Airplane Directorate on the Directorate's rulemaking program, international harmonization activities, and the relevant priorities for those programs.

- A briefing from the staff of the FAA Aircraft Certification Engine and Propeller Directorate on the Directorate's rulemaking program, international harmonization activities, and the relevant priorities for those programs.

- A briefing from the staff of the FAA Aircraft Certification Small Airplane Directorate on the Commuter Aging Aircraft Program, including rulemaking activities.

- A briefing on rulemaking and regulation writing.

The subcommittee will then develop recommendations to the Director, Aircraft Certification Service, as to the working groups the transport Airplane and Engine Subcommittee should be asked to form, and the tasks to assign to each working group.

Attendance is open to the interested public, but will be limited to the space available. The public must make arrangements by September 13, 1991, to present oral statements at the meeting. The public may present written statements to the committee at any time by providing 16 copies to the Executive Director, or by bringing the copies to him at the meeting. Arrangements may be made by contacting the person listed under the heading "FOR FURTHER INFORMATION CONTACT."

Issued in Washington, DC, on August 23, 1991.

*William J. Sullivan,*

*Executive Director, Transport Airplane and Engine Subcommittee, Aviation Rulemaking Advisory Committee.*

[FR Doc. 91-20821 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-13-M

#### **Air Carrier/General Aviation Maintenance Subcommittee of the Aviation Rulemaking Advisory Committee; Meeting**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of meeting.

**SUMMARY:** The FAA is issuing this

notice to advise the public of a meeting of the Federal Aviation Administration Aviation Rulemaking Advisory Committee Air Carrier/General Aviation Maintenance Subcommittee.

**DATES:** The meeting will be held on September 19, 1991, at 9 a.m. Arrange for oral presentations by September 9, 1991.

**ADDRESSES:** The meeting will be held at Air Transport Association of America, conference room A, 5th floor, 1709 New York Avenue NW., Washington, DC at 9 a.m.

#### **FOR FURTHER INFORMATION CONTACT:**

Ms. Jacqueline Renaud, Meeting Coordinator, Aircraft Maintenance, Division, 800 Independence Avenue SW., Washington, DC 20591, telephone (202) 267-7461.

**SUPPLEMENTARY INFORMATION:** Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463; 5 U.S.C. app. II), notice is hereby given of a meeting of the Air Carrier/General Aviation Maintenance Subcommittee to be held on September 19, 1991. The agenda for the meeting will include reports from the working groups dealing with establishment of current standard weights for passengers and baggage, development of a notice of proposed rulemaking (NPRM) for part 65 of the Federal Aviation Regulations (FAR), development of an NPRM for reporting requirements of §§ 121.703 and 121.705 of the FAR, development of an advisory circular for Special Federal Aviation Regulation (SFAR) 36, and development of an NPRM and advisory circular for maintenance recordkeeping and retention of records.

Attendance is open to the interested public but may be limited to the space available. The public must make arrangements on or before September 9, 1991, to present oral statements at the meeting. Written statements (75 copies) may be presented to the committee at any time through the meeting coordinator. Arrangements may be made by contacting the meeting coordinator listed under the heading "FOR FURTHER INFORMATION CONTACT."

Issued in Washington, DC, on August 23, 1991.

*William J. White,*

*Executive Director, Air Carrier/General Aviation Maintenance Subcommittee, Aviation Rulemaking Advisory Committee.*

[FR Doc. 91-20822 Filed 8-29-91; 8:45 am]

BILLING CODE 4920-13-M

**DEPARTMENT OF THE TREASURY****Office of the Secretary**

[Department Circular—Public Debt Series—No. 27-91]

**Treasury Notes of August 31, 1993, Series AE-1993**

Washington, August 22, 1991.

**1. Invitation for Tenders.**

1.1 The Secretary of the Treasury, under the authority of chapter 31 of title 31, United States Code, invites tenders for approximately \$12,500,000,000 of United States securities, designated Treasury Notes of August 31, 1993, Series AE-1993 (CUSIP No. 912827 C2 6), hereafter referred to as Notes. The Notes will be sold at auction, with bidding on the basis of yield. Payment will be required at the price equivalent of the yield of each accepted bid. The interest rate on the Notes and the price equivalent of each accepted bid will be determined in the manner described below. Additional amounts of the Notes may be issued to Federal Reserve Banks for their own account in exchange for maturing Treasury securities. Additional amounts of the Notes may also be issued at the average price to Federal Reserve Banks, as agents for foreign and international monetary authorities.

**2. Description of Securities**

2.1. The Notes will be dated September 3, 1991, and will accrue interest from that date, payable on a semiannual basis on February 29, 1992, August 31, 1992, February 28, 1993, and August 31, 1993. They will mature August 31, 1993, and will not be subject to call for redemption prior to maturity. In the event any payment date is a Saturday, Sunday, or other nonbusiness day, the amount due will be payable (without additional interest) on the next business day.

2.2. The Notes are subject to all taxes imposed under the Internal Revenue Code of 1954. The Notes are exempt from all taxation now or hereafter imposed on the obligation or interest thereof by any State, any possession of the United States, or any local taxing authority, except as provided in 31 U.S.C. 3124.

2.3. The Notes will be acceptable to secure deposits of Federal public monies. They will not be acceptable in payment of Federal taxes.

2.4. The Notes will be issued only in book-entry form in a minimum amount of \$5,000 and in multiples of that amount. They will not be issued in registered definitive or in bearer form.

2.5. The Department of the Treasury's general regulations governing United States securities, i.e., Department of the Treasury Circular No. 300, current revision (31 CFR part 306), as to the extent applicable to marketable securities issued in book-entry form, and the regulations governing book-entry Treasury Bonds, Notes, and Bills, as adopted and published as a final rule to govern securities held in the TREASURY DIRECT Book-Entry Securities System in Department of the Treasury Circular, Public Debt Series, No. 2-86 (31 CFR part 357), apply to the Notes offered in this circular.

**3. Sale Procedures**

3.1. Tenders will be received at Federal Reserve Banks and Branches and at the Bureau of the Public Debt, Washington, DC 20239-1500, Tuesday, August 27, 1991, prior to 12 noon, Eastern Daylight Saving time, for noncompetitive tenders and prior to 1 p.m. Eastern Daylight Saving time, for competitive tenders. Noncompetitive tenders as defined below will be considered timely if postmarked no later than Monday, August 26, 1991, and received no later than Tuesday, September 3, 1991.

3.2. The par amount of Notes bid for must be stated on each tender. The minimum bid is \$5,000, and larger bids must be in multiples of that amount. Competitive tenders must also show the yield desired, expressed in terms of an annual yield with two decimals, e.g., 7.10%. Fractions may not be used. Noncompetitive tenders must show the term "noncompetitive" on the tender form in lieu of a specified yield.

3.3. A single bidder, as defined in Treasury's single bidder guidelines, shall not submit noncompetitive tenders totaling more than \$1,000,000. A noncompetitive bidder may not have entered into an agreement, nor make an agreement to purchase or sell or otherwise dispose of any noncompetitive awards of this issue being auctioned prior to the designated closing time for receipt of competitive tenders.

3.4. Commercial banks, which for this purpose are defined as banks accepting demand deposits, and primary dealers, which for this purpose are defined as dealers who make primary markets in Government securities and are on the list of reporting dealers published by the Federal Reserve Bank of New York, may submit tenders for accounts of customers if the names of the customers and the amount for each customer are furnished. Others are permitted to submit tenders only for their own account.

3.5. Tenders for their own account will be received without deposit from commercial banks and other banking institutions; primary dealers, as defined above; Federally-insured savings and loan associations; States, and their political subdivisions or instrumentalities; public pension and retirement and other public funds; international organizations in which the United States holds membership; foreign central banks and foreign states; and Federal Reserve Banks. Tenders from all others must be accompanied by full payment for the amount of Notes applied for, or by a guarantee from a commercial bank or a primary dealer of 5 percent of the par amount applied for.

3.6. Immediately after the deadline for receipt of competitive tenders, tenders will be opened, followed by a public announcement of the amount and yield range of accepted bids. Subject to the reservations expressed in section 4, noncompetitive tenders will be accepted in full, and then competitive tenders will be accepted, starting with those at the lowest yields, through successively higher yields to the extent required to attain the amount offered. Tenders at the highest accepted yield will be prorated if necessary. After the determination is made as to which tenders are accepted, an interest rate will be established, at a  $\frac{1}{8}$  of one percent increment, which results in an equivalent average accepted price close to 100.000 and a lowest accepted price above the original issue discount limit of 99.750. That stated rate of interest will be paid on all of the Notes. Based on such interest rate, the price on each competitive tender allotted will be determined and each successful competitive bidder will be required to pay the price equivalent to the yield bid. Those submitting noncompetitive tenders will pay the price equivalent to the weighted average yield of accepted competitive tenders. Price calculations will be carried to three decimal places on the basis of price per hundred, e.g., 99.923, and the determinations of the Secretary of the Treasury shall be final. If the amount of noncompetitive tenders received would absorb all or most of the offering, competitive tenders will be accepted in an amount sufficient to provide a fair determination of the yield. Tenders received from Federal Reserve Banks will be accepted at the price equivalent to the weighted average yield of accepted competitive tenders.

3.7. Competitive bidders will be advised of the acceptance of their bids. Those submitting noncompetitive tenders will be notified only if the tender is not accepted in full, or when

the price at the average yield is over par.

#### 4. Reservations

4.1. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders in whole or in part, to allot more or less than the amount of Notes specified in Section 1, and to make different percentage allotments to various classes of applicants when the Secretary considers it in the public interest. The Secretary's action under this section is final.

#### 5. Payment and Delivery

5.1. Settlement for the Notes allotted must be made at the Federal Reserve Bank or Branch or at the Bureau of the Public Debt, wherever the tender was submitted. Settlement on Notes allotted to institutional investors and to others whose tenders are accompanied by a guarantee as provided in section 3.5, must be made or completed on or before Tuesday, September 3, 1991. Payment in full must accompany tenders submitted by all other investors. Payment must be in cash; in other funds immediately available to the Treasury; in Treasury notes or bonds maturing on or before the settlement date but which are not overdue as defined in the general regulations governing United States securities; or by check drawn to the order of the institution to which the tender was submitted, which must be received from institutional investors no later than Thursday, August 29, 1991.

When payment has been submitted with the tender and the purchase price of the Notes allotted is over par, settlement for the premium must be completed timely, as specified above. When payment has been submitted with the tender and the purchase price is under par, the discount will be remitted to the bidder.

5.2. In every case where full payment has not been completed on time, an amount of up to 5 percent of the par amount of Notes allotted shall, at the discretion of the Secretary of the Treasury, be forfeited to the United States.

5.3. Registered definitive securities tendered in payment for the Notes allotted and to be held in TREASURY DIRECT are not required to be assigned if the inscription on the registered definitive security is identical to the registration of the Note being purchased. In any such case, the tender form used to place the Notes allotted in TREASURY DIRECT must be completed to show all the information required thereon, or the TREASURY DIRECT account number previously obtained.

#### 6. General Provisions

6.1. As fiscal agents of the United States, Federal Reserve Banks are authorized, as directed by the Secretary of the Treasury, to receive tenders, to make allotments, to issue such notices as may be necessary, to receive payment for, and to issue, maintain, service, and make payment on the Notes.

6.2. The Secretary of the Treasury may, at any time, supplement or amend provisions of this circular if such supplements or amendments do not adversely affect existing rights of holders of the Notes. Public announcement of such changes will be promptly provided.

6.3. The Notes issued under this circular shall be obligations of the United States, and, therefore, the faith of the United States Government is pledged to pay, in legal tender, principal and interest on the Notes.

Marcus W. Page,

*Acting Fiscal Assistant Secretary.*

[FR Doc. 91-20966 Filed 8-28-91; 10:40 am]

BILLING CODE 4810-40-M

[Department Circular—Public Debt Series—No. 28-91]

#### Treasury Notes of August 31, 1996, Series S-1996

Washington, August 22, 1991.

#### 1. Invitation for Tenders

1.1. The Secretary of the Treasury, under the authority of chapter 31 of title 31, United States Code, invites tenders for approximately \$9,250,000,000 of United States securities, designated Treasury Notes of August 31, 1996, Series S-1996 (CUSIP No. 912827 C3 4), hereafter referred to as Notes. The Notes will be sold at auction, with bidding on the basis of yield. Payment will be required at the price equivalent of the yield of each accepted bid. The interest rate on the Notes and the price equivalent of each accepted bid will be determined in the manner described below. Additional amounts of the Notes may be issued to Federal Reserve Banks for their own account in exchange for maturing Treasury securities. Additional amounts of the Notes may also be issued at the average price to Federal Reserve Banks, as agents for foreign and international monetary authorities.

#### 2. Description of Securities

2.1. The Notes will be dated September 3, 1991, and will accrue interest from that date, payable on a semiannual basis on February 29, 1992, and each subsequent 6 months on the

last calendar day of August and February through the date that the principal becomes payable. They will mature August 31, 1996, and will not be subject to call for redemption prior to maturity. In the event any payment date is a Saturday, Sunday, or other non-business day, the amount due will be payable (without additional interest) on the next business day.

2.2. The Notes are subject to all taxes imposed under the Internal Revenue Code of 1954. The Notes are exempt from all taxation now or hereafter imposed on the obligation or interest thereof by any State, any possession of the United States, or any local taxing authority, except as provided in 31 U.S.C. 3124.

2.3. The Notes will be acceptable to secure deposits of Federal public monies. They will not be acceptable in payment of Federal taxes.

2.4. The Notes will be issued only in book-entry form in a minimum amount of \$1,000 and in multiples of that amount. They will not be issued in registered definitive or in bearer form.

2.5. The Department of the Treasury's general regulations governing United States securities, i.e., Department of the Treasury Circular No. 300, current revision (31 CFR part 306), as to the extent applicable to marketable securities issued in book-entry form, and the regulations governing book-entry Treasury Bonds, Notes, and Bills, as adopted and published as a final rule to govern securities held in the TREASURY DIRECT Book-Entry Securities System in Department of the Treasury Circular, Public Debt Series, No. 2-86 (31 CFR part 357), apply to the Notes offered in this circular.

#### 3. Sale Procedures

3.1. Tenders will be received at Federal Reserve Banks and Branches and at the Bureau of the Public Debt, Washington, DC 20239-1500, Wednesday, August 28, 1991, prior to 12 noon, Eastern Daylight Saving time, for non-competitive tenders and prior to 1 p.m., Eastern Daylight Saving time, for competitive tenders. Noncompetitive tenders as defined below will be considered timely if postmarked no later than Tuesday, August 27, 1991, and received no later than Tuesday, September 3, 1991.

3.2. The par amount of Notes bid for must be stated on each tender. The minimum bid is \$1,000, and larger bids must be in multiples of that amount. Competitive tenders must also show the yield desired, expressed in terms of an annual yield with two decimals, e.g., 7.10%. Fractions may not be used.

Noncompetitive tenders must show the term "noncompetitive" on the tender form in lieu of a specified yield.

3.3. A single bidder, as defined in Treasury's single bidder guidelines, shall not submit noncompetitive tenders totaling more than \$1,000,000. A non competitive bidder may not have entered into an agreement, nor make an agreement to purchase or sell or otherwise dispose of any noncompetitive awards of this issue being auctioned prior to the designated closing time for receipt of competitive tenders.

3.4. Commercial banks, which for this purpose are defined as banks accepting demand deposits, and primary dealers, which for this purpose are defined as dealers who make primary markets in Government securities and are on the list of reporting dealers published by the Federal Reserve Bank of New York, may submit tenders for accounts of customers if the names of the customers and the amount for each customer are furnished. Others are permitted to submit tenders only for their own account.

3.5. Tenders for their own account will be received without deposit from commercial banks and other banking institutions; primary dealers, as defined above; federally-insured savings and loan associations; States, and their political subdivisions or instrumentalities; public pension and retirement and other public funds; international organizations in which the United States holds membership; foreign central banks and foreign states; and Federal Reserve Banks. Tenders from all others must be accompanied by full payment for the amount of Notes applied for, or by a guarantee from a commercial bank or a primary dealer of 5 percent of the par amount applied for.

3.6. Immediately after the deadline for receipt of competitive tenders, tenders will be opened, followed by a public announcement of the amount and yield range of accepted bids. Subject to the reservations expressed in section 4, noncompetitive tenders will be accepted in full, and then competitive tenders will be accepted, starting with those at the lowest yields, through successively higher yields to the extent required to attain the amount offered. Tenders at the highest accepted yield will be prorated if necessary. After the determination is made as to which tenders are accepted, an interest rate will be established, at a  $\frac{1}{8}$  of one percent increment, which results in an equivalent average accepted price close to 100.000 and a lowest accepted price above the original issue discount limit of 99.000. That stated rate of interest will

be paid on all of the Notes. Based on such interest rate, the price on each competitive tender allotted will be determined and each successful competitive bidder will be required to pay the price equivalent to the yield bid. Those submitting noncompetitive tenders will pay the price equivalent to the weighted average yield of accepted competitive tenders. Price calculations will be carried to three decimal places on the basis of price per hundred, e.g., 99.923, and the determinations of the Secretary of the Treasury shall be final. If the amount of noncompetitive tenders received would absorb all or most of the offering, competitive tenders will be accepted in an amount sufficient to provide a fair determination of the yield. Tenders received from Federal Reserve Banks will be accepted at the price equivalent to the weighted average yield of accepted competitive tenders.

3.7. Competitive bidders will be advised of the acceptance of their bids. Those submitting noncompetitive tenders will be notified only if the tender is not accepted in full, or when the price at the average yield is over par.

#### 4. Reservations

4.1. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders in whole or in part, to allot more or less than the amount of Notes specified in Section 1, and to make different percentage allotments to various classes of applicants when the Secretary considers it in the public interest. The Secretary's action under this Section is final.

#### 5. Payment and Delivery

5.1. Settlement for the Notes allotted must be made at the Federal Reserve Bank or Branch or at the Bureau of the Public Debt, wherever the tender was submitted. Settlement on Notes allotted to institutional investors and to others whose tenders are accompanied by a guarantee as provided in section 3.5, must be made or completed on or before Tuesday, September 3, 1991. Payment in full must accompany tenders submitted by all other investors. Payment must be in cash; in other funds immediately available to the Treasury; in Treasury notes or bonds maturing on or before the settlement date but which are not overdue as defined in the general regulations governing United States securities; or by check drawn to the order of the institution to which the tender was submitted, which must be received from institutional investors no later than Thursday, August 29, 1991. When payment has been submitted with the tender and the purchase price of the

Notes allotted is over par, settlement for the premium must be completed timely, as specified above. When payment has been submitted with the tender and the purchase price is under par, the discount will be remitted to the bidder.

5.2. In every case where full payment has not been completed on time, an amount of up to 5 percent of the par amount of Notes allotted shall, at the discretion of the Secretary of the Treasury, be forfeited to the United States.

5.3. Registered definitive securities tendered in payment for the Notes allotted and to be held in TREASURY DIRECT are not required to be assigned if the inscription on the registered definitive security is identical to the registration of the Note being purchased. In any such case, the tender form used to place the Notes allotted in TREASURY DIRECT must be completed to show all the information required thereon, or the TREASURY DIRECT account number previously obtained.

#### 6. General Provisions

6.1. As fiscal agents of the United States, Federal Reserve Banks are authorized, as directed by the Secretary of the Treasury, to receive tenders, to make allotments, to issue such notices as may be necessary, to receive payment for, and to issue, maintain, service, and make payment on the Notes.

6.2. The Secretary of the Treasury may, at any time, supplement or amend provisions of this circular if such supplements or amendments do not adversely affect existing rights of holders of the Notes. Public announcement of such changes will be promptly provided.

6.3. The Notes issued under this circular shall be obligations of the United States, and, therefore, the faith of the United States Government is pledged to pay, in legal tender, principal and interest on the Notes.

Marcus W. Page,  
Acting Fiscal Assistant Secretary.  
[FR Doc. 91-20967 Filed 8-28-91; 10:40 am]  
BILLING CODE 4810-40-M

#### Public Information Collection Requirements Submitted to OMB for Review

August 26, 1991.

The Department of Treasury has made revisions and resubmitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1980, Public Law 96-

511. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, room 3171 Treasury Annex, 1500 Pennsylvania Avenue, NW., Washington, DC 20220.

#### Internal Revenue Service

*OMB Number:* 1545-0121.

*Form Number:* IRS Form 1116.

*Type of Review:* Resubmission.

*Title:* Foreign Tax Credit—Individual, Fiduciary, or Nonresident Alien.

*Description:* Form 1116 is used by individuals (including nonresident aliens) and fiduciaries who paid foreign income taxes on U.S. taxable income, to compute the foreign tax credit. This information is used by IRS to verify the foreign tax credit.

*Respondents:* Individuals or households.

*Estimated Number of Respondents/Recordkeepers:* 589,900.

*Estimated Burden Hours Per Respondent/Recordkeeper:*

Recordkeeping: 2 hours, 44 minutes.

Learning about the law or the form: 48 minutes.

Preparing the form: 1 hour, 53 minutes.  
Copying, assembling, and sending the form to IRS: 55 minutes.

*Frequency of Response:* Annually.

*Estimated Total Reporting/*

*Recordkeeping Burden:* 3,415,521 hours.

*Clearance Officer:* Garrick Shear, (202) 535-4297, Internal Revenue Service, room 5571, 1111 Constitution Avenue, NW., Washington, DC 20224.

*OMB Reviewer:* Milo Sunderhauf (202) 395-6880, Office of Management and Budget, room 3001, New Executive Office Building, Washington, DC 20503.  
*Lois K. Holland,*

*Departmental Reports, Management Officer.*  
[FR Doc. 91-20844 Filed 8-29-91; 8:45 am]

**BILLING CODE 4830-01-M**

#### Public Information Collection Requirements Submitted to OMB for Review

August 26, 1991.

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1980, Public Law 96-511. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance

Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, room 3171 Treasury Annex, 1500 Pennsylvania Avenue, NW., Washington, DC 20220.

#### Internal Revenue Service

*OMB Number:* 1545-0090.

*Form Number:* IRS Forms 1040SS and 1040-PR.

*Type of Review:* Revision.

*Title:* U.S. Self-Employment Tax Return, and Planilla Para La Declaracion De La Contribucion Federal Sobre El Trabajo Por Cuenta Propia-Puerto Rico.

*Description:* Forms 1040SS (Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands) and 1040-PR (Puerto Rico) are used by self-employed individuals to figure and report self-employment tax under IRC chapter 2 of subtitle A, and provide credit to the taxpayer's social security account.

*Respondents:* Individuals or households, farms, businesses or other for-profit.

*Estimated Number of Respondents/Recordkeepers:* 49,766.

*Estimated Burden Hours Per Respondent/Recordkeeper:*

	Form 1040SS	Form 1040-PR
Recordkeeping.....	7 hrs., 17 min.	6 hrs., 48 min.
Learning about the law or the form .....	23 min.	38 min.
Preparing the form.....	2 hrs., 40 min.	2 hrs., 30 min.
Copying, assembling, and sending the form to IRS.....	49 min.	49 min.

*Frequency of Response:* Annually.  
*Estimated Total Reporting/Recordkeeping Burden:* 530,726 hours.

*OMB Number:* 1545-0118.

*Form Number:* IRS Form 1099-PATR.

*Type of Review:* Revision.

*Title:* Taxable Distributions Received from Cooperatives.

*Description:* Form 1099-PATR is used to report patronage dividends paid by co-ops (IRC sec. 6044). The information is used by IRS to verify reporting compliance on the part of the recipient.

*Respondents:* Businesses or other for-profit.

*Estimated Number of Respondents:* 4,904.

*Estimated Burden Hours Per Respondent:* 11 minutes.

*Frequency of Response:* Annually.

*Estimated Total Reporting Burden:* 358,349 hours.

*OMB Number:* 1545-0122.

*Form Number:* IRS Form 1118.

Schedule I and Schedule J.

*Type of Review:* Revision.

*Title:* Foreign Tax Credit—Corporations.

*Description:* Form 1118 and separate Schedules I and J are used by domestic

and foreign corporations to claim a credit against tax for taxes paid to foreign countries. The IRS uses Form 1118 and related schedules to determine if the corporation has computed the foreign tax credit correctly.

*Respondents:* Businesses or other for-profit.

*Estimated Number of Respondents/Recordkeepers:* 10,000.

*Estimated Burden Hours Per Respondent/Recordkeeper:*

	Form 1118	Schedule I	Schedule J
Recordkeeping.....	71 hrs., 45 min.	8 hrs., 51 min.	89 hrs., 12 min.
Learning about the law or the form .....	18 hrs., 19 min.	1 hr.	1 hr., 5 min.
Preparing and sending the form to IRS.....	22 hrs., 42 min.	1 hr., 11 min.	2 hrs., 35 min.

*Frequency of Response:* Annually.

*Estimated Total Reporting/Recordkeeping Burden:* 3,397,363 hours.

*OMB Number:* 1545-0935.

**Form Number:** IRS Form 1120-FSC and Schedule P (Form 1120-FSC).  
**Type of Review:** Revision.  
**Title:** U.S. Income Tax Return of a Foreign Sales Corporation (1120-FSC) and Transfer Price or Commission (Schedule P—Form 1120-FSC).  
**Description:** Form 1120-FSC is filed by foreign corporations that have

elected to be foreign sales corporations (FSCs) or small FSCs. The FSC uses Form 1120-FSC to report income and expenses and to figure its tax liability. IRS uses Form 1120-FSC, and Schedule P (Form 1120-FSC) to determine whether the FSC has correctly reported its income and expenses and figured its tax liability correctly.

**Respondents:** Businesses or other for-profit.

**Estimated Number of Respondents/Recordkeepers:** 5,000.

**Estimated Burden Hours Per Respondent/Recordkeeper:**

	Form 1120-FSC	Schedule P (Form 1120-FSC)
Recordkeeping.....	89 hrs., 26 min.	10 hrs., 2 min.
Learning about the law or the form.....	15 hrs., 35 min.	18 min.
Preparing and sending the form to IRS.....	34 hrs., 37 min.	28 min.

**Frequency of Response:** Annually.  
**Estimated Total Reporting/Recordkeeping Burden:** 969,200 hours.

**OMB Number:** 1545-1070.

**Form Number:** None.

**Type of Review:** Extension.

**Title:** Branch Tax.

**Description:** The regulation explains how to comply with section 884, which imposes a tax on earnings of a foreign corporation's U.S. branch that are removed from the branch and subjects interest paid by the branch, and certain interest deducted by the foreign corporation, to tax.

**Respondents:** Businesses or other for-profit.

**Estimated Number of Respondents/Recordkeepers:** 48,225.

**Estimated Burden Hours Per Respondent:** 1 hour, 34 minutes.

**Frequency of Response:** Annually.

**Estimated Total Reporting/Recordkeeping Burden:** 22,128 hours.  
**Clearance Officer:** Garrick Shear (202) 535-4297, Internal Revenue Service, room 5571, 1111 Constitution Avenue, NW., Washington, DC 20224.

**OMB Reviewer:** Milo Sunderhauf (202) 395-6880, Office of Management and Budget, room 3001, New Executive Office Building, Washington, DC 20503.  
 Lois K. Holland,

**Departmental Reports Management Officer.**  
 [FR Doc. 91-20845 Filed 8-29-91; 8:45 am]

**BILLING CODE 4830-01-M**

#### **Treasury Advisory Committee on Commercial Operations of the Customs Service; Meeting**

**AGENCY:** Department Offices, Treasury.

**ACTION:** Notice of meeting.

**SUMMARY:** This notice announces the date of the next meeting and the agenda for consideration by the Treasury Advisory Committee on Commercial Operations of the U.S. Customs Service.

**DATES:** The next meeting of the Treasury Advisory Committee on Commercial Operations of the U.S. Customs Service will be held on Friday, September 20, 1991 at 9:30 a.m. in room 4121 of the Department of the Treasury, 1500 Pennsylvania Avenue NW., Washington, DC.

**FOR FURTHER INFORMATION CONTACT:** Dennis M. O'Connell, Director, Office of Tariff and Trade Affairs, Office of the Assistant Secretary (Enforcement), room 4004, Department of the Treasury, 1500 Pennsylvania Avenue NW., Washington, DC 20220. Tel.: (202) 566-8435.

**SUPPLEMENTARY INFORMATION:** Agenda items for the third meeting of the Treasury Advisory Committee on Commercial Operations of the U.S. Customs Service on September 20, 1991 will include:

#### **I. Old Business**

1. The Customs Modernization Act and the Joint Industry Group legislative initiatives.
2. The concept of annual or periodic filings of entry summaries and National Entry Processing.
3. Customs staffing and work shifts at airports.
4. Procedures for Central Examination Stations.
5. Update on the North American Free Trade Area negotiations.

#### **II. New Business**

1. Confidentiality of business records filed with Customs.
2. Adequacy of commercial enforcement.
3. Other new business.

The meeting is open to the public. Owing to the Security procedures in place at the Treasury Building, it is necessary for any person other than an Advisory Committee member who wishes to attend the meeting to give advance notice. In order to be admitted to the building to attend the meeting, contact Dennis M. O'Connell at (202)

566-8435, no later than Friday, September 13, 1991.

Dated: August 26, 1991.

John P. Simpson,

Acting Assistant Secretary (Enforcement).

[FR Doc. 91-20855 Filed 8-29-91; 8:45 am]

**BILLING CODE 4810-25-M**

#### **Federal Deposit Insurance Corporation**

#### **Federal Reserve System**

#### **Office of the Comptroller of the Currency**

[Docket Nos. 91-7, 050984, and R-0734]

#### **Extension of the Comment Period Regarding the Supervisory Definition of Highly-Leveraged Transactions**

August 26, 1991.

**AGENCIES:** Office of the Comptroller of the Currency, Treasury (OCC); Federal Deposit Insurance Corporation (FDIC); and Board of Governors of the Federal Reserve System (Board).

**ACTION:** Extension of public comment period.

**SUMMARY:** The three federal banking agencies have requested public comment on the designation, reporting and delisting of highly-leveraged transactions (HLTs). Comments were sought in response to various questions and concerns, regarding HLTs, which were raised by bankers, borrowers and other interested parties. The request for comment was published in the *Federal Register* on July 10, 1991 at 56 FR 31464, with an initial comment period ending August 26, 1991. The three agencies have decided to extend the public comment period to enable the public to prepare adequate comments on the HLT guidelines. Therefore, the public comment period on this matter has been extended until September 23, 1991.

**DATES:** Comments must be submitted on or before September 23, 1991.

**ADDRESSES:** Comments should be directed to:

**OCC:** Communications Division, 250 E Street SW., Washington, DC 20219; Attention: Docket No. 91-7. Comments will be available for public inspection and photocopying at the same location.

**FDIC:** Hoyle L. Robinson, Executive Secretary, Federal Deposit Insurance Corporation, 550 17th Street NW., Washington, DC 20429; Attention: Docket No. 050984. Comments may be hand delivered to room F-402, 1776 F Street NW., Washington, DC, on business days between 8:30 a.m. and 5 p.m. Comments may also be inspected in room F-402 between 8:30 a.m. and 5 p.m. on business days. [FAX number: (202) 898-3838]

**Board:** Mr. William Wiles, Secretary of the Board, Board of Governors of the Federal Reserve System, 20th and Constitution Avenue NW., Washington, DC 20551; Attention: Docket No. R-0734 or delivered to room B-2223, Eccles Building, between 8:45 a.m. and 5:15 p.m. Comments may be inspected in room B-1122 between 9 a.m. and 5 p.m., except as provided in § 261.8 of the Board's Rules Regarding Availability of Information, 12 CFR 261.8.

**FOR FURTHER INFORMATION CONTACT:**

**OCC:** John W. Turner, National Bank

Examiner, (202) 874-5170, Chief National Bank Examiner's Office.

**FDIC:** Garfield Gimber, Examination Specialist, (202) 898-6913, Division of Supervision.

**Board:** Todd A. Glissman, Supervisory Financial Analyst, Division of Banking Supervision and Regulation, (202) 452-3953, and William G. Spaniel, Senior Financial Analyst, Division of Banking Supervision and Regulation, (202) 452-3469.

Dated: August 22, 1991.

**Robert L. Clarke,**  
*Comptroller of the Currency.*

Dated: August 26, 1991.

**Hoyle L. Robinson,**  
*Executive Secretary of the Federal Deposit Insurance Corporation.*

Dated: August 26, 1991.

**William W. Wiles,**  
*Secretary of the Board of Governors of the Federal Reserve System.*

[FR Doc. 91-20832 Filed 8-29-91; 8:45 am]

BILLING CODE 4810-33-M, 6714-01-M, 6210-01-M

## UNITED STATES INFORMATION AGENCY

### Culturally Significant Objects Imported for Exhibition; Determination

Notice is hereby given of the following determination: Pursuant to the authority

vested in me by the Act of October 19, 1965 (79 Stat. 985, 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978 (43 FR 13359, March 29, 1978), and Delegation Order No. 85-5 of June 27, 1985 (50 FR 27393, July 2, 1985), I hereby determine that the objects to be included in the exhibit "The Spanish Guitar" (see list <sup>1</sup>), imported from abroad for the temporary exhibition without profit within the United States, are of cultural significance. These objects are imported pursuant to a loan agreement with the foreign lender. I also determine that the temporary exhibition or display of the listed exhibit objects at the Metropolitan Museum of Art, New York, New York, beginning on or about October 1, 1991, to on or about January 5, 1992, is in the national interest.

Public notice of this determination is ordered to be published in the **Federal Register**.

Dated: August 27, 1991.

**Alberto J. Mora,**  
*General Counsel.*

[FR Doc. 91-20912 Filed 8-29-91; 8:45 am]

BILLING CODE 8230-01-M

<sup>1</sup> A copy of this list may be obtained by contacting Ms. Lorie J. Nierenberg of the Office of the General Counsel of USIA. The telephone number is 202/619-6975, and the address is U.S. Information Agency, 301 Fourth Street, SW., room 700, Washington, DC 20547.



# Sunshine Act Meetings

Federal Register

Vol. 56, No. 169

Friday, August 30, 1991

This section of the FEDERAL REGISTER contains notices of meetings published under the "Government in the Sunshine Act" (Pub. L. 94-409) 5 U.S.C. 552b(e)(3).

## BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

**TIME AND PLACE:** 10:00 a.m., Wednesday, September 4, 1991

**PLACE:** Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, N.W., Washington, D.C. 20551.

**STATUS:** Open.

### MATTERS TO BE CONSIDERED:

#### Summary Agenda

Because of its routine nature, no substantive discussion of the following item is anticipated. This matter will be voted on without discussion unless a member of the Board requests that the item be moved to the discussion agenda.

1. Proposed amendments to Regulations G (Securities Credit by Persons Other Than Banks, Brokers, or Dealers) and U (Credit by Banks for the purpose of Purchasing or Carrying Margin Stocks) regarding (1) transfers of purpose loans secured by margin

stock between lenders, and (2) an interpretation of the single-credit rule. (Proposed earlier for public comment; Docket No. R-0730)

#### Discussion Agenda

1. Proposed amendments to Regulations G (Securities Credit by Persons Other Than Banks, Brokers, or Dealers) and T (Credit by Brokers and Dealers) to accommodate deposit requirements of regulated clearing agencies. (Proposed earlier for public comment; Docket No. R-0732)

2. Any items carried forward from a previously announced meeting.

**Note:** This meeting will be recorded for the benefit of those unable to attend. Cassettes will be available for listening in the Board's Freedom of Information Office, and copies may be ordered for \$5 per cassette by calling (202) 452-3684 or by writing to:

Freedom of Information Office, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

**CONTACT PERSON FOR MORE INFORMATION:** Mr. Joseph R. Coyne, Assistant to the Board; (202) 452-3204.

Dated: August 28, 1991.

Jennifer J. Johnson,  
Associate Secretary of the Board.

[FR Doc. 91-20959 Filed 8-20-91; 8:51 a.m.]

BILLING CODE 6210-01-M

## BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

**TIME AND DATE:** Approximately 10:30 a.m., Wednesday, September 4, 1991, following a recess at the conclusion of the open meeting.

**PLACE:** Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, N.W., Washington, D.C. 20551.

**STATUS:** Closed.

### MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.

2. Any items carried forward from a previously announced meeting.

### CONTACT PERSON FOR MORE

**INFORMATION:** Mr. Joseph R. Coyne, Assistant to the Board; (202) 452-3204. You may call (202) 452-3207, beginning at approximately 5 p.m. two business days before this meeting, for a recorded announcement of bank and bank holding company applications scheduled for the meeting.

Dated: August 28, 1991.

Jennifer J. Johnson,  
Associate Secretary of the Board.  
[FR Doc. 91-20959 Filed 8-28-91; 8:51 am]

BILLING CODE 6210-01-M

---

Friday  
August 30, 1991

---

**Part II**

**Environmental  
Protection Agency**

**Asbestos-Containing Materials in Schools;  
EPA-Approved Courses Under the  
Asbestos Hazard Emergency Response  
Act (AHERA); Notice**

**ENVIRONMENTAL PROTECTION  
AGENCY**

[OPTS-62108; FRL-3938-2]

**Asbestos-Containing Materials in  
Schools; EPA-Approved Courses  
Under the Asbestos Hazard  
Emergency Response Act (AHERA)****AGENCY:** Environmental Protection  
Agency (EPA).**ACTION:** Notice.

**SUMMARY:** Section 206(c)(3) of the Toxic Substances Control Act (TSCA) directs the EPA Administrator to publish (and revise as necessary) a list of EPA-approved asbestos courses and tests which are consistent with the Agency's Model Accreditation Plan required under section 206(b) of TSCA. Also required is a list of those courses and tests which had qualified for equivalency treatment for interim accreditation during the time period established by Congress in AHERA. Effective July 1990, that time period has expired in all States. All courses approved for interim accreditation have therefore been included in this list for information purposes only.

Section 206(f) of TSCA Title II required the Administrator to publish quarterly in the *Federal Register*, beginning August 31, 1988, and ending August 31, 1991, a list of EPA-approved asbestos training courses. Accordingly, this *Federal Register* notice is the sixteenth and final cumulative listing of EPA-approved courses and also includes a list of State accreditation programs that EPA has approved as meeting the requirements of the Model Plan. EPA will continue maintaining this information in a National data base, and publish quarterly notices in the *Federal Register* as to how, when, and where to obtain this information.

**FOR FURTHER INFORMATION CONTACT:**

David J. Kling, Acting Director,  
Environmental Assistance Division (TS-799), Office of Toxic Substances,  
Environmental Protection Agency, rm. E-545, 401 M St., SW., Washington, DC 20460, Telephone: (202) 554-1404, TDD: (202) 554-0551.

**SUPPLEMENTARY INFORMATION:** Section 206 of Title II of the Toxic Substances Control Act (TSCA), 15 U.S.C. 2646, required EPA to develop a Model Accreditation Plan by April 20, 1987. The Plan was issued on April 20, 1987, and was published in the *Federal Register* of April 30, 1987 (52 FR 15875), as appendix C to subpart E, 40 CFR part 763. Persons must receive accreditation in order to inspect school buildings for asbestos, develop school asbestos

management plans, and design or conduct school asbestos response actions. Such persons can be accredited by States, which are required under Title II to adopt contractor accreditation plans at least as stringent as the EPA Model Plan, or by completing an EPA-approved training course and passing an examination for such course. The EPA Model Accreditation Plan establishes those areas of knowledge of asbestos inspection, management plan development, and response action technology that persons seeking accreditation must demonstrate and States must include in their accreditation programs.

In the *Federal Register* of October 30, 1987 (52 FR 41826), EPA promulgated a final "Asbestos-Containing Materials in Schools" rule (40 CFR part 763, subpart E) which required all local education agencies (LEAs) to identify asbestos-containing materials (ACM) in their school buildings and take appropriate actions to control the release of asbestos fibers. The LEAs are also required to describe their activities in management plans, which must be made available to the public and submitted to State governors. Under Title II, LEAs are required to use specially trained persons to conduct inspections for asbestos, develop the management plans, and design or conduct major actions to control asbestos. The rule took effect on December 14, 1987.

The length of initial training courses for accreditation under the Model Plan varies by discipline. Briefly, inspectors must take a 3-day training course; management planners must take the inspection course plus an additional 2 days devoted to management planning; and abatement project designers are required to have at least 3 days of training. In addition, asbestos abatement contractors and supervisors must take a 4-day training course and asbestos abatement workers are required to take a 3-day training course. For all disciplines, persons seeking accreditation must also pass an examination and participate in annual re-training courses. A complete description of accreditation requirements can be found in the Model Accreditation Plan at 40 CFR part 763, subpart E, appendix C.I.1.A through E.

In Section 206(c)(3) of Title II, and as amended by section 206(f), the Administrator, in consultation with affected organizations, is directed to publish quarterly a list of asbestos courses and tests in effect before the date of enactment of this title which qualified for equivalency treatment for interim accreditation purposes, and a list of EPA-approved asbestos courses

and tests which the Administrator has determined are consistent with the Model Plan and which qualify a contractor for accreditation.

This quarterly notice formerly included a list of laboratories accredited by the National Institute of Standards and Technology (NIST) for the polarized light microscopy (PLM) analysis of bulk materials for asbestos. The EPA is no longer publishing this laboratory list because it is now available from the NIST National Voluntary Laboratory Accreditation Program (NVLAP). Persons wishing to obtain current information on the accreditation of asbestos laboratories in general or the accreditation status of any particular laboratory should contact NIST directly for this information by: (1) Writing to: Chief, Laboratory Accreditation Program, National Institute of Standards and Technology, Bldg. 411, room A124, Gaithersburg, MD 20899 (please include a self-addressed mailing label); (2) computer-to-computer communication with the NVLAP electronic bulletin board on 301-948-2058; (3) Fax on 301-975-3839; or (4) calling NVLAP on 301-975-4018. EPA interim approval for laboratories ended October 30, 1989, and since that date laboratory asbestos accreditation has been administered by NIST through the NVLAP.

The *Federal Register* notice of October 30, 1987, included EPA's initial list of course approvals. In addition, the initial list also included those State accreditation programs that EPA had approved as meeting the requirements of the Model Plan. The second *Federal Register* notice of February 10, 1988 (53 FR 3982), the third *Federal Register* notice of June 1, 1988 (53 FR 20066), the fourth *Federal Register* notice of August 31, 1988 (53 FR 33574), the fifth *Federal Register* notice of November 30, 1988 (53 FR 48424), the sixth *Federal Register* notice of February 28, 1989 (54 FR 8438), the seventh *Federal Register* notice of May 31, 1989 (54 FR 23392), the eighth *Federal Register* notice of August 31, 1989 (54 FR 36166), the ninth *Federal Register* notice of November 29, 1989 (54 FR 49190), the tenth *Federal Register* notice of February 28, 1990 (55 FR 7202), the eleventh *Federal Register* notice of May 31, 1990 (55 FR 22176), the twelfth *Federal Register* notice of August 31, 1990 (55 FR 35760), the thirteenth *Federal Register* notice of November 30, 1990 (55 FR 49756), the fourteenth *Federal Register* notice of February 28, 1991 (56 FR 8396), the fifteenth *Federal Register* notice of May 31, 1991 (56 FR 24884), and this, the sixteenth and final *Federal Register* notice are the subsequent cumulative listings of EPA

course approvals and EPA-Approved State Accreditation Programs.

This Federal Register notice is divided into four units. Unit I discusses EPA approval of State accreditation programs. Unit II covers EPA approval of training courses. Unit III discusses the AHERA-imposed deadline for persons with interim accreditation. Unit IV provides the list of State accreditation programs and training courses approved by EPA as of July 8, 1991. Subsequent published lists of the database will add other State programs as they are approved.

As announced in the Federal Register of September 20, 1989, EPA is no longer accepting for review and contingent approval training courses for AHERA accreditation after October 15, 1989. However, a course's status may change after that cut-off date. For example, a contingently approved course may become fully approved and a course with full approval may become disapproved. As mentioned in the September 1989 Federal Register notice, EPA has said it would continue to conduct full approval audits of courses that already have received contingent approval and review for contingent approval and subsequent full approval, courses received by EPA which had been postmarked on or before October 15, 1989. EPA may reach agreements with States that do not currently have an accreditation program, to turn over responsibility for auditing courses with contingent and full approval, as these States develop accreditation programs.

#### **I. EPA Approval of State Accreditation Programs**

As discussed in the Model Plan, EPA may approve State accreditation programs that the Agency determines are at least as stringent as the Model Plan. In addition, the Agency is able to approve individual disciplines within a State's accreditation program. For example, a State that currently only has an accreditation requirement for inspectors can receive EPA approval for that discipline immediately, rather than waiting to develop accreditation requirements for all disciplines in the Model Plan before seeking EPA approval.

As listed in Unit IV, Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Idaho, Illinois, Indiana, Iowa, Kansas, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Montana, Nebraska, New Jersey, New York, North Carolina, North Dakota, Oregon, Pennsylvania, Rhode Island, South Dakota, Utah, Virginia, Washington, West Virginia, and Wisconsin have received EPA full

approval for two accreditation disciplines, abatement workers as well as contractors and supervisors, that are at least as stringent as the Model Plan. In addition, the States of Alabama, Colorado, Connecticut, Florida, Idaho, Illinois, Indiana, Iowa, Maine, Massachusetts, Michigan, Mississippi, Montana, Nebraska, New York, North Carolina, North Dakota, Pennsylvania, Rhode Island, South Dakota, Utah, Virginia, West Virginia, and Wisconsin have received full approval for their inspector/management planner and project designer disciplines. Any of the initial or refresher training courses in those disciplines approved by the aforementioned States are EPA-approved courses for purposes of accreditation. These training courses are EPA-approved courses for purposes of TSCA Title II in these States and in all States without an EPA-approved accreditation program for the discipline. Current lists of training courses approved by Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Idaho, Illinois, Iowa, Kansas, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Montana, Nebraska, New Jersey, New York, North Carolina, North Dakota, Oregon, Pennsylvania, Rhode Island, South Dakota, Utah, Virginia, Washington, West Virginia, and Wisconsin are listed under Unit IV. Connecticut, Florida, North Carolina, and Mississippi do not have separate provider listings since they have not independently approved any additional courses.

Each State accreditation program may have different requirements. For example, New Jersey requires participants of its courses to take the State exam. Therefore, those New Jersey-approved course sponsors who want to provide training in another State must develop their own examination. They must also submit for EPA approval to the Regional Asbestos Coordinator in their Region, a detailed statement about the development of the course examination as required by the Model Plan.

#### **II. EPA Approval of Training Courses**

A cumulative list of training courses approved by EPA is included under Unit IV. The examinations for these approved courses under Unit IV have also been approved by EPA. EPA has three categories of course approval: full, contingent, and approved for interim accreditation. As noted in Unit III, interim accreditation is no longer in effect as of July 1990. Each course that had been approved for interim accreditation will show inclusive dates

of this approval. EPA's deadlines for interim accreditation are discussed further in Unit III.

Full approval means EPA has reviewed and found acceptable the course's written submission seeking EPA approval and has conducted an on-site audit and determined that the training course meets or exceeds the Model Plan's training requirements for the relevant discipline.

Contingent approval means the Agency has reviewed the course's written submission seeking EPA approval and found the material to be acceptable (i.e., the written course materials meet or exceed the Model Plan's training course requirements). However, EPA has not yet conducted an on-site audit.

Successful completion of either a fully approved course or a contingently approved course provides full accreditation for course attendees. If EPA subsequently audits a contingently approved course and withdraws approval due to deficiencies discovered during the audit, future course offerings would no longer have EPA approval. However, withdrawal of EPA approval would not affect the accreditation of persons who took previously offered training courses, including the course audited by EPA.

Thus far, EPA has taken formal action to revoke or suspend course approvals in two instances. EPA revoked approval from Living Word College's inspector and management planner training courses offered after May 6, 1988. Living Word College is located in EPA Region VII. In addition, EPA has suspended approval from the Safety Management Institute's training courses and refresher courses for workers, inspectors/management planners, and contractors/supervisors. The effective date for the course suspensions is the first week of October 1989. Safety Management Institute is located in EPA Region III. Certain EPA-approved State programs have also taken actions to suspend or revoke courses within their jurisdictions.

EPA-approved training courses listed under Unit IV are approved on a national basis. EPA has organized Unit IV by EPA Region to assist the public in locating those training courses that are offered nearby. Training courses are listed in the Region where the training course is headquartered. Although several sponsors offer their courses in various locations throughout the United States, a large number of course sponsors provide most of their training within their own Region.

State accreditation programs may have more stringent requirements than

does the Model Plan. As a result, some EPA-approved training courses listed under Unit IV may not meet the requirements of a particular State's accreditation program. Sponsors of training courses and persons who have received accreditation should contact individual States to check on accreditation requirements.

A number of training courses offered before EPA issued the Model Plan equaled or exceeded the subsequently issued Model Plan's training course requirements. These courses are listed under Unit IV as being approved. It should be noted that the persons who have successfully completed these courses are fully accredited; they are not only accredited on an interim basis.

### III. Phase out of Interim Accreditation

TSCA Title II allowed EPA to accredit persons on an interim basis if they had attended EPA-approved asbestos training before the effective date of the AHERA regulation and passed an asbestos exam. As a result, the Agency approved, on an interim basis, a number of training courses which had been offered prior to the effective date of the AHERA regulation. Only those persons who had taken training courses equivalent to the Model Plan's requirements between January 1, 1985 and December 14, 1987, were considered accredited under these interim provisions. Equivalent means that the courses had to be essentially similar in length and content to the curriculum found in the Model Plan. In addition, an examination had to be essentially equivalent to the examination requirements found in the Model Plan. If no examination was offered at the time, course providers seeking interim approval needed to provide an examination.

Persons who took one of the EPA-approved courses for interim accreditation, and could produce evidence that they had successfully completed the course by passing an examination, were accredited on an interim basis. This accreditation was interim since the person was considered accredited for only 1 year after the date on which the State where the person was employed was required to have established an accreditation program at least as stringent as the EPA Model Plan. TSCA Title II requires States to adopt a contractor accreditation program at least as stringent as the Model Plan within 180 days after the first regular session of the State's legislature convened following the date EPA issued the Model Plan.

The deadline for all States to establish a complete accreditation program was

July 1989. In fact, most States were required to have developed a program by July 1988. As a result, after July 1989, the period of interim accreditation expired for persons in all States but Arkansas, Montana, Nevada, North Carolina, Oregon, Pennsylvania, and Texas. In these seven States, the legislatures meet on a bi-annual basis and last met in January 1989; therefore, persons in these States with interim accreditation lost their interim status in these States after July 1990. Because interim accreditation has now expired in all States, anyone who had previously received interim accreditation is no longer eligible to perform AHERA work unless he or she has subsequently acquired AHERA accreditation by completing an approved course. To receive accreditation, such persons, if they have not already done so, must complete an EPA-approved course or a State course under a State plan at least as stringent as the EPA Model Plan. For example, a person who had interim accreditation as a supervisor would have to take a 4-day supervisor course approved by EPA or an EPA-approved State program to become fully accredited.

### IV. List of EPA-Approved State Accreditation Programs and Training Courses

This sixteenth and final cumulative listing of EPA-approved State accreditation programs and training courses follows. As discussed above, notifications of EPA approval of State accreditation programs and EPA approval of training courses will be published in subsequent lists. Quarterly notices will be published in the *Federal Register* regarding availability of the list. The closing date for the acceptance of submissions to EPA for inclusion in this sixteenth and final notice was July 8, 1991. Omission from this list does not imply disapproval by EPA, nor does the order of the courses reflect priority or quality. The format of the notification lists first the State accreditation programs approved by EPA, followed by EPA-approved training courses grouped by Region. The name, address, phone number, and contact person is provided for each training provider followed by the courses and type of course approval (i.e., full, contingent, or for interim purposes).

As of July 8, 1991, a total of 598 EPA-approved training providers are offering 1,178 training courses for accreditation under TSCA Title II. There are 507 asbestos abatement worker courses, 397 contractor/supervisor courses, 209 inspector/management planner courses, 18 inspector-only courses, and 47 project

designer courses. In addition, EPA has approved 774 refresher courses.

Thirty-two States currently have EPA-approved State accreditation programs in one or more disciplines. These State programs have approved a total of 985 courses, including 496 worker courses, 346 contractor/supervisor courses, 24 inspector-only courses, 90 inspector/management planner courses and 29 project designer courses. In addition, these State programs have approved 762 refresher courses. It should be noted that certain training course providers may have course approval in more than one State; therefore, there may be some double-counting of these courses reflected in the above numbers.

An EPA-funded model course for inspectors and management planners is available for use by training providers. In addition, an earlier EPA-developed course for asbestos abatement contractors and supervisors has been revised and is also available, as is a model worker course. A fee for each course will be charged to cover the reproduction and shipping costs for the written and visual aid materials. Interested parties should contact the following firm to receive copies of the training courses: ATLIS Federal Services, Inc., EPA AHERA Program, 6011 Executive Blvd., Rockville, MD 20852, Phone number: (301) 468-1916.

The following is the cumulative list of EPA-approved State accreditation programs and training courses:

#### Approved State Accreditation Programs Alabama

(1)(a) *State Agency:* Alabama Safe State Program, Address: Box 870388, Tuscaloosa, AL 35487-0388, Contact: George Wade, Phone: (205) 348-7136.

#### (b) *Approved Accreditation Program Disciplines:*

Abatement Worker (full from 11/13/90).  
Contractor/Supervisor (full from 11/13/90).

Inspector (full from 11/13/90).

Inspector/Management Planner (full from 11/13/90).

Project Designer (full from 11/13/90).

(i)(a) *Training Provider:* American Environmental Protection, Inc.

Address: 606 Wade Circle,  
Goodlettsville, TN 37072, Contact:  
Terry C. Reaves, Phone: (615) 851-9924.

#### (b) *Approved Course:*

Abatement Worker (Certified 3/24/91).

(ii)(a) *Training Provider:* Analytical Solutions.

Address: 8 Moonglow Dr., Birmingham, AL 35215, Contact: W. David Yates, Phone: (205) 853-9131.

(b) *Approved Course:*

Abatement Worker (Certified 6/1/91).

(iii)(a) *Training Provider:* Law Companies Environmental Group.

Address: 114 Townpark Dr., Suite 300, Kennesaw, GA 30144-5508, Contact: David W. Mayer, Phone: (404) 499-6700.

(b) *Approved Courses:*

Contractor/Supervisor Annual Review (Certified 3/15/91).

Inspector/Management Planner Annual Review (Certified 3/14/91).

## Alaska

(2)(a) *State Agency:* Department of Labor, Address: P.O. Box 1149, Juneau, AK 99802, Contact: Richard Arab, Phone: (907) 465-4856.

(b) *Approved Accreditation Program Disciplines:*

Abatement Worker (interim from 10/1/85).

Abatement Worker (full from 1/29/90). Contractor/Supervisor (interim from 10/1/85).

Contractor/Supervisor (full from 1/29/90).

(i)(a) *Training Provider:* Alaska Laborers Training School.

Address: 13500 Old Seward Highway, Anchorage, AK 99515, Contact: Leslie Lauinger, Phone: (907) 345-3853.

(b) *Approved Courses:*

Abatement Worker (Certified 11/1/89). Contractor/Supervisor (Certified 11/1/89).

(ii)(a) *Training Provider:* Alaska Quality Control & Technical Service, Ltd.

Address: 907 E. Dowling Rd., Suite 18, Anchorage, AK 99518, Contact: Gracita O. Torrijos, Phone: (907) 561-2400.

(b) *Approved Courses:*

Abatement Worker (Certified 5/1/90). Contractor/Supervisor (Certified 5/1/90).

(iii)(a) *Training Provider:* Arctic Slope Consulting Group, Inc.

Address: 301 Danner Ave., Suite 200, Anchorage, AK 99518, Contact: Tom Tessier, Phone: (907) 349-5148.

(b) *Approved Courses:*

Abatement Worker (Certified 12/1/89). Contractor/Supervisor (Certified 12/1/89).

(iv)(a) *Training Provider:* Asbestos Removal Specialists of Alaska.

Address: 1189 Van Horn Rd., Fairbanks, AK 99701, Contact: J. J. Middleton, Phone: (907) 451-8555.

(b) *Approved Courses:*

Abatement Worker (Certified 5/1/89). Contractor/Supervisor (Certified 5/1/89).

(v)(a) *Training Provider:* Central & Southeastern Alaska District Council of Carpenters.

Address: 100 W. International Airport Rd., No. 102, Anchorage, AK 99518, Contact: William Matthews, Phone: (907) 561-4568.

(b) *Approved Courses:*

Abatement Worker (Certified 2/1/89). Contractor/Supervisor (Certified 2/1/89).

(vi)(a) *Training Provider:*

Environmental Management, Inc.

Address: P.O. Box 91477, Anchorage, AK 99509, Contact: Kenneth D. Johnson, Phone: (907) 272-8056.

(b) *Approved Courses:*

Abatement Worker (Certified 6/1/89). Contractor/Supervisor (Certified 6/1/89).

(vii)(a) *Training Provider:*

Environmental Science & Engineer, Inc.

Address: 1205 E. International Airport Rd., Suite 100, Anchorage, AK 99518-1409, Contact: Robert Morgan, Phone: (907) 561-3055.

(b) *Approved Courses:*

Abatement Worker (Certified 6/1/90). Contractor/Supervisor (Certified 6/1/90).

(viii)(a) *Training Provider:*

International Association of Heat & Frost Insulators & Asbestos Workers.

Address: 407 Denali St., Suite 303, Anchorage, AK 99501, Contact: Dan Middaugh, Phone: (907) 272-8224.

(b) *Approved Courses:*

Abatement Worker (Certified 8/1/89). Contractor/Supervisor (Certified 8/1/89).

(ix)(a) *Training Provider:* Martech

Construction Co.

Address: 300 E. 54th Ave., Anchorage, AK 99518, Contact: Gary Lawley, Phone: (907) 561-1970.

(b) *Approved Courses:*

Abatement Worker (Certified 9/1/89). Contractor/Supervisor (Certified 9/1/89).

(x)(a) *Training Provider:* Sheet Metal

Worker Int'l. Association Local 23.

Address: 1818 W. Northern Lights Blvd. No. 100, Anchorage, AK 99517, Contact: Randall E. Pysher, Phone: (907) 277-5313.

(b) *Approved Courses:*

Abatement Worker (Certified 1/1/90). Contractor/Supervisor (Certified 1/1/90).

(xi)(a) *Training Provider:* University of Alaska Mining & Petroleum Training Services.

Address: 155 Smith Way, Suite 104, Soldotna, AK 99669, Contact: Dennis Steffy, Phone: (907) 262-2788.

(b) *Approved Courses:*

Abatement Worker (Certified 4/1/89). Contractor/Supervisor (Certified 4/1/89).

## Arkansas

(3)(a) *State Agency:* Arkansas Dept. of Pollution Control and Ecology, Address: 8001 National Dr., P.O. Box 9583, Little Rock, AR 72209, Contact: Jeff Purtle, Phone: (501) 562-7444.

(b) *Approved Accreditation Program Disciplines:*

Abatement Worker (interim from 11/22/85).

Abatement Worker (full from 1/22/88). Contractor/Supervisor (interim from 11/22/85).

Contractor/Supervisor (full from 1/22/88).

(i)(a) *Training Provider:* American Specialty Contractors.

Address: P.O. Box 66375, Baton Rouge, LA 70896, Contact: Daniel L. Anderson, Phone: (504) 926-9624.

(b) *Approved Courses:*

Abatement Worker (Certified 2/13/90). Contractor/Supervisor (Certified 2/13/90).

(ii)(a) *Training Provider:* Arkansas Laborers Training Fund.

Address: 4501 West 61st St., Little Rock, AR 72209, Contact: W. Rudy Osborne, Phone: (501) 562-5502.

(b) *Approved Course:*

Abatement Worker (Certified 5/2/88).

(iii)(a) *Training Provider:* Asbestos Training & Employment, Inc.

Address: 809 East 11th St., Michigan City, IN 46360, Contact: Bruce H. Connell, Phone: (219) 874-7348.

(b) *Approved Courses:*

Abatement Worker (Certified 5/18/88). Contractor/Supervisor (Certified 5/18/88).

(iv)(a) *Training Provider:* Critical Environmental Training, Inc.

Address: 5815 Gulf Freeway, Houston, TX 77023, Contact: Charles M. Flanders, Phone: (713) 921-8921.

(b) *Approved Courses:*

Abatement Worker (Certified 9/12/88 to 12/20/90 only).

Contractor/Supervisor (Certified 9/12/88 to 12/20/90 only).

(v)(a) *Training Provider:* Enviro Sciences, Inc.

Address: 3810 F Merton Dr., Raleigh, NC 27609, Contact: Chester Hudlow, Phone: (919) 782-1487.

**(b) Approved Courses:**

Abatement Worker (Certified 6/6/90).  
Abatement Worker Annual Review (Certified 8/21/90).

Contractor/Supervisor (Certified 7/31/90).

Contractor/Supervisor Annual Review (Certified 8/21/90).

(vi)(a) *Training Provider:* Environmental Institute.

Address: 350 Franklin Rd., Suite 300, Marietta, GA 30067, Contact: Eva Clay, Phone: (404) 425-2000.

**(b) Approved Course:**

Contractor/Supervisor (Certified 10/7/88).

(vii)(a) *Training Provider:* Environmental Technologies.

Address: P.O. Box 21243, Little Rock, AR 72221, Contact: Phyllis Moore, Phone: (501) 569-3518.

**(b) Approved Courses:**

Abatement Worker (Certified 3/16/88).  
Abatement Worker Annual Review (Certified 3/30/89).

Contractor/Supervisor (Certified 3/16/88).

Contractor/Supervisor Annual Review (Certified 3/30/89).

(viii)(a) *Training Provider:* Hall-Kimbrell Environmental Services.

Address: P.O. Box 307, Lawrence, KS 66044, Contact: Patrick Shrepf, Phone: (913) 749-2381.

**(b) Approved Courses:**

Abatement Worker (Certified 6/8/88).  
Contractor/Supervisor (Certified 6/8/88).

(ix)(a) *Training Provider:* ICU, Inc.

Address: P.O. Box 2896, Farmington, NM 87499, Contact: Sharon Adams, Phone: (505) 326-0472.

**(b) Approved Courses:**

Abatement Worker (Certified 10/8/90).  
Contractor/Supervisor (Certified 10/8/90).

(x)(a) *Training Provider:* JATC/Memphis Area Asbestos Workers.

Address: 3400 Democrat Rd., Memphis, TN 38118, Contact: Casper Wilson, Phone: (901) 365-9058.

**(b) Approved Courses:**

Contractor/Supervisor (Certified 5/1/91).

Contractor/Supervisor Annual Review (Certified 5/20/91).

(xi)(a) *Training Provider:* Labor Education Program, University of Arkansas.

Address: 2801 S. University Ave., Little Rock, AR 72204, Contact: Bernica Tackett, Phone: (501) 562-7444.

**(b) Approved Course:**

Abatement Worker (Certified 12/12/89).

(xii)(a) *Training Provider:* Meta Inc.

Address: P.O. Box 786, Lawrence, KS 66044, Contact: Karen P. Wilson, Phone: (913) 491-0181.

**(b) Approved Courses:**

Abatement Worker (Certified 3/27/90).

Abatement Worker Annual Review (Certified 3/27/90).

Contractor/Supervisor (Certified 3/27/90).

Contractor/Supervisor Annual Review (Certified 3/27/90).

(xiii)(a) *Training Provider:* National Asbestos Training Center, University of Kansas.

Address: 6600 College Blvd., Suite 315, Overland Park, KS 66211, Contact: Lani Himegarner, Phone: (913) 491-0221.

**(b) Approved Courses:**

Contractor/Supervisor (Certified 3/30/90).

Contractor/Supervisor Annual Review (Certified 3/30/90).

(xiv)(a) *Training Provider:* Northwest Envirocon, Inc.

Address: P.O. Box 4638, Vancouver, WA 98682, Contact: Ed Hensley, Phone: (800) 395-0852.

**(b) Approved Course:**

Contractor/Supervisor (Certified 1/25/91).

(xv)(a) *Training Provider:* Professional Asbestos Training Service.

Address: P.O. Box 19092, Little Rock, AR 72219, Contact: Harold Lewis, Phone: (501) 562-1519.

**(b) Approved Courses:**

Abatement Worker (Certified 4/18/88).

Abatement Worker Annual Review (Certified 1/4/90).

Contractor/Supervisor (Certified 4/18/88).

Contractor/Supervisor Annual Review (Certified 1/4/90).

(xvi)(a) *Training Provider:* Specialized Environmental Services.

Address: 6614 John Ralston Rd., Houston, TX 77049, Contact: Jammers R. Homminga, Phone: (713) 458-7274.

**(b) Approved Courses:**

Abatement Worker (Certified 5/11/91).

Abatement Worker Annual Review (Certified 5/11/91).

Contractor/Supervisor (Certified 5/11/91).

Contractor/Supervisor Annual Review (Certified 5/11/91).

(xvii)(a) *Training Provider:* U.S. Veterans Administration (Fort Roots).

Address: 2200 Fort Roots Dr., North Little Rock, AR 72114-1706, Contact: Juanita Terry, Phone: (501) 661-1202.

**(b) Approved Courses:**

Abatement Worker (Certified 2/25/91).

Contractor/Supervisor (Certified 2/25/91).

(xviii)(a) *Training Provider:* University of Arkansas.

Address: 521 South Razorback Rd., Fayetteville, AR 72701, Contact: Greg Weeks, Phone: (501) 575-6175.

**(b) Approved Course:**

Abatement Worker (Certified 10/7/88).

(xix)(a) *Training Provider:* Wellington House.

Address: 120 West State St., High Point, NC 27262, Contact: R. Donald Phillips, Phone: (919) 889-3722.

**(b) Approved Courses:**

Abatement Worker (Certified 6/6/90).

Contractor/Supervisor (Certified 6/6/90).

**Colorado**

(4)(a) *State Agency:* Colorado Dept. of Health, Address: 4210 East 11th Ave., Denver, CO 80220, Contact: David R. Ouimette, Phone: (303) 331-8500.

(b) *Approved Accreditation Program Disciplines:*

Abatement Worker (full from 7/8/89).  
Contractor/Supervisor (full from 7/8/89).

Inspector/Management Planner (full from 7/8/89).

Project Designer (full from 7/8/89).

(i)(a) *Training Provider:* Air Technology & Associates.

Address: 724 Oil Hill Rd., P.O. Box 23, El Dorado, KS 67042, Contact: Richard Green, Phone: (913) 841-1193.

**(b) Approved Courses:**

Abatement Worker (Certified 3/7/90).

Abatement Worker Annual Review (Certified 3/7/90).

Contractor/Supervisor (Certified 3/7/90).

Contractor/Supervisor Annual Review (Certified 3/7/90).

(ii)(a) *Training Provider:* Asbestos Consultants/Asbestos Certified Training (ACTT).

Address: 5953 Telegraph Rd., Los Angeles, CA 90040, Contact: Robert Griese, Phone: (213) 720-1805.

**(b) Approved Courses:**

Abatement Worker (Certified 3/19/91).

Abatement Worker Annual Review (Certified 3/19/91).

Contractor/Supervisor Annual Review (Certified 3/19/91).

Inspector/Management Planner Annual Review (Certified 3/19/91).

(iii)(a) *Training Provider:* Environmental Training Center.



Address: 2781 West Oxford Ave., Unit No.7, Englewood, CO 80110, Contact: Harvey Lindenberg, Phone: (303) 781-0422.

(b) *Approved Courses:*

Abatement Worker Annual Review (Certified 11/14/89).

Contractor/Supervisor Annual Review (Certified 11/14/89).

Inspector/Management Planner (Certified 11/14/89).

Inspector/Management Planner Annual Review (Certified 11/14/89).

(iv)(a) *Training Provider:* Haz - Cure International.

Address: 1555 Simms St., Lakewood, CO 80215, Contact: Edmund C. Garthe, Phone: (303) 232-3174.

(b) *Approved Courses:*

Abatement Worker (Certified 1/30/90).

Abatement Worker Annual Review (Certified 4/9/90).

Contractor/Supervisor (Certified 1/30/90).

Contractor/Supervisor Annual Review (Certified 4/9/90).

(v)(a) *Training Provider:* Precision Safety and Services Inc.

Address: 1245 Windemaker Lane, Colorado Springs, CO 80907, Contact: James R. Mapes, Jr., Phone: (719) 593-8596.

(b) *Approved Courses:*

Abatement Worker Annual Review (Certified 11/6/89).

Contractor/Supervisor (Certified 11/6/89).

Contractor/Supervisor Annual Review (Certified 11/6/89).

Inspector/Management Planner (Certified 10/2/90).

Inspector/Management Planner Annual Review (Certified 10/2/90).

(vi)(a) *Training Provider:* Public Service Company of Colorado.

Address: 1500 West Hampden Avenue, Building 5k, Englewood, CO 80110, Contact: Norman E. Peters, Phone: (303) 797-4109.

(b) *Approved Courses:*

Abatement Worker (Certified 7/24/90).

Abatement Worker Annual Review (Certified 3/15/91).

Contractor/Supervisor (Certified 7/24/90).

Contractor/Supervisor Annual Review (Certified 3/15/91).

(vii)(a) *Training Provider:* QA Training & Inspection Services.

Address: 1405 Krameria St., Suite 4-D, Denver, CO 80220, Contact: Garrett Fleming, Phone: (303) 388-7388.

(b) *Approved Courses:*

Abatement Worker (Certified 3/7/90).

Abatement Worker Annual Review (Certified 3/7/90).

Contractor/Supervisor (Certified 3/7/90).

Contractor/Supervisor Annual Review (Certified 3/7/90).

(viii)(a) *Training Provider:* Summit Environmental.

Address: P.O. Box 7557, Boulder, CO 80306-7557, Contact: Philip Karl, Phone: (303) 447-2835.

(b) *Approved Courses:*

Abatement Worker (Certified 10/2/90).

Abatement Worker Annual Review (Certified 10/2/90).

Contractor/Supervisor (Certified 10/2/90).

Contractor/Supervisor Annual Review (Certified 10/2/90).

Inspector/Management Planner (Certified 10/2/90).

Inspector/Management Planner Annual Review (Certified 10/2/90).

(ix)(a) *Training Provider:* U.S. Army Environmental Hygiene Activity - West.

Address: Fitzsimons Army Medical Center, Aurora, CO 80045-5001, Contact: Wendell C. King, Phone: (303) 361-8881.

(b) *Approved Courses:*

Abatement Worker (Certified 12/20/89).

Contractor/Supervisor (Certified 12/20/89).

(x)(a) *Training Provider:* Univ. of Calif.-Berkeley, Extension Program in Environmental Hazard Management (PHEM).

Address: 2223 Fulton St., Berkeley, CA 94720, Contact: Deborah Dobin, Phone: (415) 643-7143.

(b) *Approved Course:*

Project Designer Annual Review (Certified 2/28/91).

### Connecticut

(5)(a) *State Agency:* Connecticut Department of Health Services, Address: 150 Washington St., Hartford, CT 06106, Contact: William Sawicki, Phone: (203) 566-1260.

(b) *Approved Accreditation Program Disciplines:*

Abatement Worker (full from 4/25/91).  
Contractor/Supervisor (full from 4/25/91).

Inspector (full from 4/25/91).

Inspector/Management Planner (full from 4/25/91).

Project Designer (full from 4/25/91).

### Delaware

(6)(a) *State Agency:* Delaware Dept. of Administrative Services, Address: Short Building, 21 The Green, P.O. Box 1401, Dover, DE 19903, Contact: Robert Foster, Phone: (302) 739-3930.

(b) *Approved Accreditation Program Disciplines:*

Abatement Worker (full from 8/14/89).  
Contractor/Supervisor (full from 8/14/89).

(i)(a) *Training Provider:* Delaware Technical & Community College, Stanton Campus.

Address: Churchman Center, Churchman's Rd., New Castle, DE 19804, Contact: F. Tucker Mulrooney, Phone: (302) 323-9602.

(b) *Approved Courses:*

Abatement Worker (Certified 4/1/88).

Abatement Worker Annual Review (Certified 5/5/89).

Contractor/Supervisor (Certified 4/1/88).

Contractor/Supervisor Annual Review (Certified 5/5/89).

(ii)(a) *Training Provider:* Delaware Technical & Community College, Terry Campus.

Address: 1832 North Dupont Pkwy., Dover, DE 19901, Contact: David T. Stanley, Phone: (302) 736-5428.

(b) *Approved Courses:*

Abatement Worker (Certified 4/1/88).

Abatement Worker Annual Review (Certified 5/5/89).

Contractor/Supervisor (Certified 4/1/88).

Contractor/Supervisor Annual Review (Certified 5/5/89).

(iii)(a) *Training Provider:* Local Union No. 42 Heat - Pipe & Frost Union.

Address: 1188 River Rd., New Castle, DE 19720, Contact: Joe Noble, Phone: (302) 328-4203.

(b) *Approved Courses:*

Abatement Worker (Certified 3/5/87).

Abatement Worker Annual Review (Certified 3/5/87).

Contractor/Supervisor (Certified 3/5/87).

Contractor/Supervisor Annual Review (Certified 3/5/87).

(iv)(a) *Training Provider:* Local Union No. 626 United Brotherhood of Carpenters and Joiners of America.

Address: 626 Wilmington Road, New Castle, DE 19720, Contact: Robert A. McCullough, Phone: (302) 328-9430 Ext. 9439.

(b) *Approved Courses:*

Abatement Worker (Certified 8/8/90).

Abatement Worker Annual Review (Certified 8/8/90).

Contractor/Supervisor (Certified 8/8/90).

Contractor/Supervisor Annual Review (Certified 8/8/90).

### Florida

(7)(a) *State Agency:* Florida Dept. of Labor & Employment Security, Bureau of

Industrial Health & Safety, Address:  
2002 Old St. Augustine Rd., Tallahassee,  
FL 32399-0663, Contact: Linda Knowles,  
Phone: (904) 488-7781.

**(b) Approved Accreditation Program Disciplines:**

Abatement Worker (full from 4/10/91).  
Contractor/Supervisor (full from 4/10/91).

Inspector (full from 4/10/91).  
Inspector/Management Planner (full from 4/10/91).  
Project Designer (full from 4/10/91).

**Idaho**

**(8)(a) State Agency:** Idaho Department of Labor & Industrial Services, Building Division, Address: 277 North 6th St., Statehouse Mail, Boise, ID 83720-6000, Contact: Gary D. Barnes, Phone: (208) 334-3896.

**(b) Approved Accreditation Program Disciplines:**

Abatement Worker (full from 3/26/91).  
Contractor/Supervisor (full from 3/26/91).

Inspector (full from 3/26/91).  
Inspector/Management Planner (full from 3/26/91).

Project Designer (full from 3/26/91).

**(i)(a) Training Provider:** Asbestos Technology, Incorporated.

Address: 140 Ivan St., Cheyenne, WY 82001, Contact: Leo Quinlivan, Phone: (307) 632-5571.

**(b) Approved Courses:**

Abatement Worker (Certified 7/9/90).  
Abatement Worker Annual Review (Certified 7/17/90).

Contractor/Supervisor (Certified 8/8/90).

Contractor/Supervisor Annual Review (Certified 8/8/90).

Inspector/Management Planner (Certified 9/24/90).

Inspector/Management Planner Annual Review (Certified 9/24/90).

Project Designer Annual Review (Certified 8/13/90).

**(ii)(a) Training Provider:** Industrial Hygiene Resources, Ltd.

Address: 7337 Northview, Boise, ID 83704, Contact: Harry J. Beaulieu, Phone: (208) 323-8187.

**(b) Approved Courses:**

Abatement Worker (Certified 8/13/90).  
Abatement Worker Annual Review (Certified 5/15/91).

Contractor/Supervisor (Certified 8/13/90).

Contractor/Supervisor Annual Review (Certified 5/15/91).

**(iii)(a) Training Provider:** Valley Research Corporation.

Address: 111 South State St., P.O. Box 637, Hagerman, ID 83332, Contact: Leonn Urie, Phone: (208) 837-6653.

**(b) Approved Courses:**

Abatement Worker (Certified 7/9/90).

Contractor/Supervisor (Certified 6/8/90).

Inspector/Management Planner (Certified 8/13/90).

**Illinois**

**(9)(a) State Agency:** Illinois Department of Public Health Division of Environmental Health, Address: 525 West Jefferson St, Springfield, IL 62761, Contact: R. Kent Cook, Phone: (217) 782-3517.

**(b) Approved Accreditation Program Disciplines:**

Abatement Worker (full from 3/13/90).  
Contractor/Supervisor (full from 3/13/90).

Inspector (full from 3/13/90).  
Inspector/Management Planner (full from 3/13/90).

Project Designer (full from 3/13/90).

**(i)(a) Training Provider:** Abatement Project Training.

Address: P.O. Box 4372, Kansas City, KS 66112, Contact: Virginia Ireton, Phone: (913) 788-3440.

**(b) Approved Courses:**

Abatement Worker (Certified 12/21/90).  
Abatement Worker Annual Review (Certified 12/21/90).

**(ii)(a) Training Provider:** Academy for Environmental Training I.

Address: 316 S State Ave., Indianapolis, IN 46201, Contact: Anne Gress, Phone: (317) 269-3620.

**(b) Approved Courses:**

Abatement Worker (Certified 5/31/91).  
Abatement Worker Annual Review (Certified 5/31/91).

Contractor/Supervisor (Certified 5/31/91).

Contractor/Supervisor Annual Review (Certified 5/31/91).

**(iii)(a) Training Provider:** Aerostat Environmental Engineering Corp.

Address: 2817 Atchison Avenue, Lawrence, KS 66047, Contact: Joe Stimac, Phone: (800) 828-6269.

**(b) Approved Courses:**

Contractor/Supervisor (Certified 9/17/90).

Contractor/Supervisor Annual Review (Certified 9/17/90).

Inspector/Management Planner (Certified 9/17/90).

Inspector/Management Planner Annual Review (Certified 9/17/90).

**(iv)(a) Training Provider:** American Asbestos Institute Inc.

Address: P.O. Box 7477, Springfield, IL 62791, Contact: Donald Handy, Phone: (217) 523-8747.

**(b) Approved Courses:**

Abatement Worker (Certified 8/15/90).

Abatement Worker Annual Review (Certified 8/15/90).

Contractor/Supervisor (Certified 8/15/90).

Contractor/Supervisor Annual Review (Certified 8/15/90).

Inspector/Management Planner (Certified 9/20/90).

Inspector/Management Planner Annual Review (Certified 9/20/90).

**(v)(a) Training Provider:** Asbestos Abatement Consultants.

Address: 187 Baker Ave, Suite 100, St. Louis, MO 63119, Contact: Doyle Wilhite, Phone: (314) 968-5007.

**(b) Approved Course:**

Inspector (Certified 5/21/91).

**(vi)(a) Training Provider:** Asbestos Abatement Training Center Inc.

Address: Route 1 Box 209, Lacon, IL 61540, Contact: Brian Kline, Phone: (309) 246-3183.

**(b) Approved Courses:**

Abatement Worker (Certified 8/22/90).  
Abatement Worker Annual Review (Certified 8/22/90).

Contractor/Supervisor (Certified 8/22/90).

Contractor/Supervisor Annual Review (Certified 8/22/90).

**(vii)(a) Training Provider:** Asbestos Professional Services, Inc.

Address: 501 North Second St., P.O. Box 364, Breese, IL 62230, Contact: Donald T. Anderson, Jr., Phone: (618) 526-2742.

**(b) Approved Courses:**

Abatement Worker (Certified 10/22/90).  
Abatement Worker Annual Review (Certified 10/22/90).

**(viii)(a) Training Provider:** Asbestos Training College, Inc.

Address: 173 Essex Ave., Suite 4, Metuchen, NJ 08840, Contact: Dan Parisi, Phone: (201) 603-0909.

**(b) Approved Courses:**

Abatement Worker (Certified 4/11/91).  
Abatement Worker Annual Review (Certified 4/11/91).

**(ix)(a) Training Provider:** Asbestos Workers Local No. 1.

Address: 3325 Hollenberg Drive, St. Louis, MO 63044, Contact: James Hagen, Phone: (314) 291-7399.

**(b) Approved Courses:**

Abatement Worker (Certified 11/1/90).  
Abatement Worker Annual Review (Certified 11/1/90).

Contractor/Supervisor (Certified 11/1/90).

Contractor/Supervisor Annual Review (Certified 11/1/90).

**(x)(a) Training Provider:** Auburn Environmental Services.

Address: 418 East Jefferson, Auburn, IL 62615, Contact: Linda Funk, Phone: (217) 438-8694.

(b) *Approved Course:*

Abatement Worker (Certified 10/18/90).

(xi)(a) *Training Provider:* Boelter Environmental Consultants.

Address: 1300 Higgins No. 301, Park Ridge, IL 60068, Contact: Linda Beechler, Phone: (708) 692-4700.

(b) *Approved Courses:*

Contractor/Supervisor (Certified 3/25/91).

Contractor/Supervisor Annual Review (Certified 4/2/91).

Inspector/Management Planner (Certified 3/25/91).

Inspector/Management Planner Annual Review (Certified 4/2/91).

(xii)(a) *Training Provider:*

Construction/General Labor of Chicago.

Address: 4 N 250 Old Gary Avenue, Cloverdale, IL 60103, Contact: Anthony Solano, Phone: (708) 323-8999.

(b) *Approved Courses:*

Abatement Worker (Certified 8/10/90).

Abatement Worker Annual Review (Certified 8/10/90).

Contractor/Supervisor (Certified 8/10/90).

Contractor/Supervisor Annual Review (Certified 9/18/90).

(xiii)(a) *Training Provider:* D.W. Ryckman & Associates.

Address: 2208 Welsch Industrial Court, St. Louis, MO 63146, Contact: Betty Kellis, Phone: (314) 569-0991.

(b) *Approved Courses:*

Abatement Worker (Certified 5/1/91).

Abatement Worker Annual Review (Certified 5/1/91).

Contractor/Supervisor (Certified 5/1/91).

Contractor/Supervisor Annual Review (Certified 5/1/91).

(xiv)(a) *Training Provider:* Dore & Associates.

Address: 900 Harry S Truman Pkwy., Bay City, MI 48706, Contact: Cheri Fischer, Phone: (517) 684-8358.

(b) *Approved Courses:*

Abatement Worker (Certified 10/1/90).

Abatement Worker Annual Review (Certified 10/1/90).

Contractor/Supervisor (Certified 10/1/90).

Contractor/Supervisor Annual Review (Certified 10/1/90).

(xv)(a) *Training Provider:* ESCOR, Inc.

Address: 629 Greenbay Road, Wilmette, IL 60091, Contact: R. Eric Zimmerman, Phone: (708) 256-6970.

(b) *Approved Courses:*

Abatement Worker (Certified 11/2/90).

Abatement Worker Annual Review (Certified 11/2/90).

Contractor/Supervisor (Certified 11/19/90).

Contractor/Supervisor Annual Review (Certified 11/19/90).

Inspector Annual Review (Certified 11/2/90).

Inspector/Management Planner (Certified 11/2/90).

(xvi)(a) *Training Provider:* Emergency Medical Service Consults of America Emsc.

Address: 12125 S. 90th Avenue, Palos Park, IL 60464, Contact: Fred Debow, Phone: (707) 448-7500.

(b) *Approved Courses:*

Abatement Worker (Certified 9/6/90).

Abatement Worker Annual Review (Certified 9/6/90).

(xvii)(a) *Training Provider:*

Environment Technology of Fort Wayne.

Address: 9208 Hessen Cassel Rd., Fort Wayne, IN 46816, Contact: Randy Aumsbaugh, Phone: (219) 447-3141.

(b) *Approved Courses:*

Abatement Worker (Certified 12/27/90).

Abatement Worker Annual Review (Certified 12/27/90).

(xviii)(a) *Training Provider:*

Environmental Group Service LTD (EGSL).

Address: 215 West Huron, Chicago, IL 60610, Contact: Vahooman Mirkaef, Phone: (312) 642-8434.

(b) *Approved Courses:*

Abatement Worker (Certified 5/14/90).

Abatement Worker Annual Review (Certified 5/14/90).

Contractor/Supervisor (Certified 5/14/90).

Contractor/Supervisor Annual Review (Certified 5/14/90).

(xix)(a) *Training Provider:*

Environmental Safety Training Services.

Address: 11802 Hanson Rd., Algonquin, IL 60102, Contact: Robert Sayre, Phone: (708) 658-5950.

(b) *Approved Courses:*

Abatement Worker (Certified 10/1/90).

Abatement Worker Annual Review (Certified 12/6/90).

(xx)(a) *Training Provider:*

Environmental Science & Engineering, Inc.

Address: 8900 N. Industrial Rd., Peoria, IL 61615, Contact: Kirk Sweetland, Phone: (309) 692-4422.

(b) *Approved Courses:*

Abatement Worker (Certified 10/25/90).

Abatement Worker Annual Review (Certified 10/25/90).

Contractor/Supervisor (Certified 8/10/90).

Contractor/Supervisor Annual Review (Certified 8/10/90).

(xxi)(a) *Training Provider:* Environmental Training Center.

Address: 1988 Innerbelt Business Center Dr., St. Louis, MO 63114, Contact: Ronald Neislar, Phone: (314) 428-7020.

(b) *Approved Courses:*

Abatement Worker (Certified 9/26/90).

Abatement Worker Annual Review (Certified 9/26/90).

Contractor/Supervisor (Certified 9/26/90).

Contractor/Supervisor Annual Review (Certified 9/26/90).

Inspector (Certified 2/28/91).

Inspector Annual Review (Certified 2/28/91).

(xxii)(a) *Training Provider:* Georgia Tech Research Institute.

Address: GTRI/ESTL/ESB-29 O'Keef Building, Atlanta, GA 30332, Contact: Margaret Ojala, Phone: (404) 894-8078.

(b) *Approved Courses:*

Contractor/Supervisor (Certified 11/8/90).

Contractor/Supervisor Annual Review (Certified 11/8/90).

(xxiii)(a) *Training Provider:* Good Armstrong & Associates, LTD.

Address: 7709 W Beloit Rd., Milwaukee, WI 53219, Contact: Bonnie L. Good, Phone: (414) 541-9740.

(b) *Approved Courses:*

Abatement Worker (Certified 5/1/91).

Abatement Worker Annual Review (Certified 5/1/91).

Contractor/Supervisor (Certified 5/1/91).

Contractor/Supervisor Annual Review (Certified 5/1/91).

(xxiv)(a) *Training Provider:* Hazardous Material Training & Research.

Address: 306 West River Dr., Davenport, IA 52801, Contact: David Canine, Phone: (319) 322-5015.

(b) *Approved Courses:*

Abatement Worker (Certified 11/7/90).

Contractor/Supervisor (Certified 2/28/91).

(xxv)(a) *Training Provider:* Heat and Frost Insulators Local No. 17.

Address: 3650 Racine Avenue, Chicago, IL 60609, Contact: John P. Shine, Phone: (312) 247-1007.

(b) *Approved Courses:*

Abatement Worker (Certified 8/29/90).

Abatement Worker Annual Review (Certified 8/29/90).

Contractor/Supervisor (Certified 8/29/90).

Contractor/Supervisor Annual Review (Certified 8/29/90).

(xxvi)(a) *Training Provider:* Hinds Asbestos Consultant & Technical Services.  
Address: 1037 South Fourth Street, Springfield, IL 62703, Contact: Patricia Elmore, Phone: (217) 789-7823.

(b) *Approved Courses:*  
Contractor/Supervisor (Certified 12/5/90).

Contractor/Supervisor Annual Review (Certified 12/5/90).

(xxvii)(a) *Training Provider:* Hygienetics, Inc.

Address: 2200 Powell Street, Suite 800, Emeryville, CA 94608, Contact: Allison Roberts, Phone: (415) 547-3886.

(b) *Approved Courses:*

Contractor/Supervisor (Certified 3/5/91).

Contractor/Supervisor Annual Review (Certified 3/5/91).

Inspector/Management Planner (Certified 11/1/90).

Inspector/Management Planner Annual Review (Certified 3/5/91).

(xxviii)(a) *Training Provider:* I.P.C., Chicago, Inc.

Address: 4309 West Henderson, Chicago, IL 60641, Contact: Robert Cooley, Phone: (312) 718-7395.

(b) *Approved Courses:*

Abatement Worker (Certified 8/7/90).

Abatement Worker Annual Review (Certified 8/7/90).

Contractor/Supervisor (Certified 8/7/90).

Contractor/Supervisor Annual Review (Certified 8/7/90).

(xxix)(a) *Training Provider:* IL Laborers & Contractors Training Program.

Address: R.R. 3, Mt Sterling, IL 62353, Contact: Anthony Romolo, Phone: (217) 773-2741.

(b) *Approved Courses:*

Abatement Worker (Certified 8/9/90).

Abatement Worker Annual Review (Certified 8/9/90).

Contractor/Supervisor (Certified 9/24/90).

Contractor/Supervisor Annual Review (Certified 10/31/90).

(xxx)(a) *Training Provider:* Ideal & Associate Environmental Engineer Services, Inc.

Address: 1102 South Main St., Bloomington, IL 61702, Contact: James S. Langan, Phone: (309) 828-4259.

(b) *Approved Courses:*

Abatement Worker (Certified 6/15/90).

Abatement Worker Annual Review (Certified 6/15/90).

Contractor/Supervisor (Certified 6/15/90).

Contractor/Supervisor Annual Review (Certified 6/15/90).

(xxx)(a) *Training Provider:* Jenkins Professionals, Inc.

Address: 5042 Campbell Blvd., Suite D, Baltimore, MD 21236, Contact: Jeff McKnight, Phone: (301) 931-7588.

(b) *Approved Courses:*

Abatement Worker (Certified 1/28/91).

Abatement Worker Annual Review (Certified 1/28/91).

Contractor/Supervisor (Certified 1/28/91).

(xxxii)(a) *Training Provider:* Keter Environmental, Ltd.

Address: 17201 Westview, South Holland, IL 60473, Contact: Phil Pekron, Phone: (708) 333-4392.

(b) *Approved Courses:*

Abatement Worker (Certified 9/28/90).

Abatement Worker Annual Review (Certified 9/28/90).

Contractor/Supervisor (Certified 9/28/90).

Contractor/Supervisor Annual Review (Certified 9/28/90).

(xxxiii)(a) *Training Provider:* Local 101 Technical Training Center.

Address: 728 Broadway, Gary, IN 46402, Contact: Thomas Moore, Phone: (219) 885-0005.

(b) *Approved Courses:*

Abatement Worker (Certified 9/17/90).

Abatement Worker Annual Review (Certified 12/26/90).

(xxxiv)(a) *Training Provider:* Mayhew Environmental Training Assoc.

Address: 901 Kentucky, Lawrence, KS 66044, Contact: Thomas Mayhew, Phone: (913) 842-6382.

(b) *Approved Courses:*

Abatement Worker (Certified 9/20/90).

Abatement Worker Annual Review (Certified 9/20/90).

Contractor/Supervisor (Certified 9/20/90).

Contractor/Supervisor Annual Review (Certified 9/20/90).

Inspector/Management Planner (Certified 1/29/91).

Inspector/Management Planner Annual Review (Certified 1/29/91).

(xxxv)(a) *Training Provider:* McDowell Business Training Center.

Address: 1313 S. Michigan, 3rd Floor, Chicago, IL 60605, Contact: Edward McDowell, Phone: (312) 427-2598.

(b) *Approved Course:*

Abatement Worker (Certified 9/12/90).

(xxxvi)(a) *Training Provider:* Midwest Environmental & Industrial Health.

Address: 1440 W. Washington Blvd., Chicago, IL 60607, Contact: Steve Margevich, Phone: (312) 829-1277.

(b) *Approved Courses:*

Abatement Worker (Certified 7/30/90).

Abatement Worker Annual Review (Certified 7/30/90).

Contractor/Supervisor (Certified 7/30/90).

Contractor/Supervisor Annual Review (Certified 7/30/90).

Inspector/Management Planner (Certified 7/30/90).

Inspector/Management Planner Annual Review (Certified 7/30/90).

Project Designer (Certified 8/2/90).

(xxxvii)(a) *Training Provider:* Midwest Institute of Asbestos.

Address: 5418 W. Fullerton Ave., Chicago, IL 60639, Contact: Bogdan Mucha, Phone: (312) 745-7578.

(b) *Approved Courses:*

Abatement Worker (Certified 10/17/90).

Abatement Worker Annual Review (Certified 10/17/90).

Contractor/Supervisor (Certified 5/14/91).

Contractor/Supervisor Annual Review (Certified 5/14/91).

(xxxviii)(a) *Training Provider:* Milwaukee Asbestos Information Center.

Address: 2224 S. Kinnickinnic, Milwaukee, WI 53207, Contact: Tom Ortell, Phone: (800) 848-3298.

(b) *Approved Courses:*

Abatement Worker (Certified 12/6/90).

Abatement Worker Annual Review (Certified 12/6/90).

Contractor/Supervisor (Certified 12/6/90).

Contractor/Supervisor Annual Review (Certified 12/6/90).

Inspector Annual Review (Certified 4/11/91).

Inspector/Management Planner (Certified 4/11/91).

Project Designer (Certified 12/6/90).

Project Designer Annual Review (Certified 12/6/90).

(xxxix)(a) *Training Provider:* Moraine Valley Community College.

Address: 10900 South 88th Ave., Palos Hills, IL 60465, Contact: Dale Luecht, Phone: (708) 974-5735.

(b) *Approved Courses:*

Abatement Worker (Certified 7/27/90).

Abatement Worker Annual Review (Certified 7/27/90).

Contractor/Supervisor (Certified 7/27/90).

Contractor/Supervisor Annual Review (Certified 8/8/90).

Inspector/Management Planner (Certified 8/8/90).

Inspector/Management Planner Annual Review (Certified 8/22/90).

(xl)(a) *Training Provider:* National Asbestos Council.

Address: 1777 Northeast Expressway, Suite 150, Atlanta, GA 30329, Contact: Tina Smith, Phone: (404) 633-2622.

**(b) Approved Courses:**

Abatement Worker (Certified 1/2/91).

Abatement Worker Annual Review (Certified 1/2/91).

**(xli)(a) Training Provider:** National Asbestos Training Center.

Address: 6330 College Boulevard, Overland Park, KS 66211, Contact: Karen Wilson, Phone: (913) 491-0181.

**(b) Approved Courses:**

Abatement Worker (Certified 1/29/91).

Abatement Worker Annual Review (Certified 1/29/91).

Contractor/Supervisor (Certified 1/29/91).

Contractor/Supervisor Annual Review (Certified 1/29/91).

**(xlii)(a) Training Provider:** Northcoast Training Institute, Inc.

Address: P.O. Box 1247, Mentor, OH 44061, Contact: Robert J. Parks, Phone: (216) 975-1211.

**(b) Approved Courses:**

Abatement Worker (Certified 6/20/91).

Abatement Worker Annual Review (Certified 6/20/91).

Contractor/Supervisor (Certified 6/20/91).

Contractor/Supervisor Annual Review (Certified 6/20/91).

**(xliii)(a) Training Provider:** Occupational Training Services.

Address: 318 Holly Lane, Frankfort, IL 60423, Contact: Kathy Nicholson, Phone: (815) 469-0532.

**(b) Approved Courses:**

Abatement Worker (Certified 6/4/91).

Abatement Worker Annual Review (Certified 6/4/91).

Contractor/Supervisor (Certified 6/4/91).

Contractor/Supervisor Annual Review (Certified 6/4/91).

**(xliv)(a) Training Provider:** Olive-Harvey College Skill Center.

Address: 10001 South Woodlawn Avenue, Chicago, IL 60628, Contact: Verondo Tucker, Phone: (312) 660-4841.

**(b) Approved Course:**

Abatement Worker (Certified 10/5/90).

**(xlv)(a) Training Provider:** Pat Services.

Address: 133 Hollywood Circle, Creve Coeur, IL 61611, Contact: Cheryl McGinnis, Phone: (309) 698-0703.

**(b) Approved Courses:**

Abatement Worker (Certified 11/21/90).

Abatement Worker Annual Review (Certified 11/21/90).

Contractor/Supervisor (Certified 11/21/90).

Contractor/Supervisor Annual Review (Certified 11/21/90).

**(xlv)(a) Training Provider:** Performance Systems, Inc.

Address: 4804 Oakwood Avenue, Downers Grove, IL 60515, Contact: John T. Gammuto, Phone: (708) 968-5959.

**(b) Approved Courses:**

Abatement Worker (Certified 11/21/90).

Abatement Worker Annual Review (Certified 3/11/91).

**(xlvii)(a) Training Provider:** Professional Service Industries Hall-Kimbrell.

Address: 75 Executive Drive, Suite 434, Aurora, IL 60504, Contact: Greg Corder, Phone: (708) 898-9414.

**(b) Approved Courses:**

Abatement Worker (Certified 8/3/90).

Abatement Worker Annual Review (Certified 8/9/90).

Contractor/Supervisor (Certified 8/3/90).

Contractor/Supervisor Annual Review (Certified 8/9/90).

Inspector/Management Planner (Certified 8/3/90).

Inspector/Management Planner Annual Review (Certified 8/16/90).

**(xlviii)(a) Training Provider:** Rend Lake College.

Address: Route 1, Ina, IL 62046, Contact: Lisa Payne, Phone: (618) 437-5321.

**(b) Approved Courses:**

Abatement Worker (Certified 4/1/91).

Abatement Worker Annual Review (Certified 4/1/91).

Contractor/Supervisor (Certified 4/1/91).

**(xlix)(a) Training Provider:** Safer Foundation.

Address: 571 W. Jackson, Chicago, IL 60606, Contact: Eli Caliph, Phone: (312) 922-2200.

**(b) Approved Courses:**

Abatement Worker (Certified 8/17/90).

Abatement Worker Annual Review (Certified 8/17/90).

**(l)(a) Training Provider:** Safety Training of Illinois.

Address: P.O. Box 11093, Springfield, IL 62791, Contact: Dave Farris, Phone: (217) 787-9091.

**(b) Approved Courses:**

Abatement Worker (Certified 7/31/90).

Abatement Worker Annual Review (Certified 7/31/90).

**(li)(a) Training Provider:** Schemel Asbestos Abatement Co.

Address: 104B North Jackson, Perryville, MO 63775, Contact: Claire E. Schemel, Phone: (314) 547-2558.

**(b) Approved Courses:**

Contractor/Supervisor (Certified 12/4/90).

Contractor/Supervisor Annual Review (Certified 2/11/91).

**(lii)(a) Training Provider:** Seagull Environmental Management.

Address: 903 NW 6th Avenue, Ft. Lauderdale, FL 33311, Contact: Mark Knick, Phone: (305) 524-7208.

**(b) Approved Courses:**

Abatement Worker (Certified 3/6/91).

Abatement Worker Annual Review (Certified 4/4/91).

**(liii)(a) Training Provider:** Summit Abatement Contracting, Inc.

Address: 7255 Tower Road, Battle Creek, MI 49017, Contact: Treina Norris, Phone: (616) 968-4242.

**(b) Approved Courses:**

Abatement Worker (Certified 10/19/90).

Abatement Worker Annual Review (Certified 10/19/90).

Contractor/Supervisor (Certified 10/19/90).

Contractor/Supervisor Annual Review (Certified 10/19/90).

**(liv)(a) Training Provider:** The American Center for Educational Development.

Address: 316 South Wabash Ave., Chicago, IL 60604, Contact: Francine F. Rossi, Phone: (312) 322-2233.

**(b) Approved Courses:**

Abatement Worker (Certified 7/27/90).

Abatement Worker Annual Review (Certified 7/27/90).

Contractor/Supervisor (Certified 7/27/90).

Contractor/Supervisor Annual Review (Certified 7/27/90).

**(lv)(a) Training Provider:** The Brand Companies.

Address: 1420 Renaissance Dr., Park Ridge, IL 60068, Contact: Frank Barta, Phone: (708) 298-1200.

**(b) Approved Courses:**

Abatement Worker (Certified 7/2/90).

Abatement Worker Annual Review (Certified 7/2/90).

Contractor/Supervisor (Certified 7/2/90).

Contractor/Supervisor Annual Review (Certified 7/2/90).

**(lvi)(a) Training Provider:** The Environmental Institute.

Address: 350 Franklin Road, Suite 300, Marietta, GA 30067, Contact: Rachel McCain, Phone: (404) 425-2000.

**(b) Approved Courses:**

Abatement Worker (Certified 11/1/90).

Abatement Worker Annual Review (Certified 11/1/90).

Contractor/Supervisor (Certified 11/1/90).

Contractor/Supervisor Annual Review (Certified 11/1/90).

(lvii)(a) *Training Provider*: The National Training Fund.

Address: 601 N. Fairfax Street, Suite 240, Alexandria, VA 22314, Contact: Gerald Olejniczak, Phone: (703) 793-7200.

(b) *Approved Courses*:

Abatement Worker (Certified 10/25/90).

Abatement Worker Annual Review (Certified 10/25/90).

Contractor/Supervisor (Certified 10/25/90).

Contractor/Supervisor Annual Review (Certified 10/25/90).

(lviii)(a) *Training Provider*: Total Environmental Air Management.

Address: 8016 A. Kolmar, Chicago, IL 60652, Contact: Louis Racila, Phone: (312) 582-9374.

(b) *Approved Courses*:

Abatement Worker (Certified 3/13/91).

Abatement Worker Annual Review (Certified 3/13/91).

(lix)(a) *Training Provider*: United Brotherhood of Carpenters & Joiners UBC.

Address: 101 Constitution Avenue NW., Washington, DC 20001, Contact: Joseph Durst, Jr., Phone: (202) 546-6706.

(b) *Approved Courses*:

Abatement Worker (Certified 8/27/90).

Abatement Worker Annual Review (Certified 8/27/90).

Contractor/Supervisor (Certified 1/25/91).

Contractor/Supervisor Annual Review (Certified 1/25/91).

(lx)(a) *Training Provider*: United Environmental System, Inc.

Address: 202 South State Street, Chicago, IL 60604, Contact: David Mizrahi, Phone: (312) 663-5693.

(b) *Approved Courses*:

Abatement Worker (Certified 8/23/90).

Abatement Worker Annual Review (Certified 8/23/90).

Contractor/Supervisor (Certified 8/23/90).

Contractor/Supervisor Annual Review (Certified 3/8/91).

(lxi)(a) *Training Provider*: United Science Industries, Inc.

Address: 621 Ninth Street, Carlyle, IL 62231, Contact: Jay Koch, Phone: (618) 594-4023.

(b) *Approved Courses*:

Abatement Worker (Certified 9/19/90).

Abatement Worker Annual Review (Certified 9/19/90).

Contractor/Supervisor (Certified 9/19/90).

Contractor/Supervisor Annual Review (Certified 9/19/90).

(lxii)(a) *Training Provider*: University of Cincinnati, Department of Environmental Health.

Address: 3223 Eden Avenue ML-056, Cincinnati, OH 45267, Contact: Judy Jarrell, Phone: (513) 558-1730.

(b) *Approved Courses*:

Abatement Worker (Certified 10/15/90).

Abatement Worker Annual Review (Certified 10/15/90).

Contractor/Supervisor (Certified 10/15/90).

Contractor/Supervisor Annual Review (Certified 10/15/90).

Inspector/Management Planner (Certified 10/15/90).

Inspector/Management Planner Annual Review (Certified 10/15/90).

## Indiana

(10)(a) *State Agency*: Indiana Department of Environmental Management, Office of Air Management.

Address: 105 South Meridian St., P.O. Box 6015, Indianapolis, IN 46206-6015, Contact: Debra Dubenetzky, Phone: (317) 232-8373.

(b) *Approved Accreditation Program Disciplines*:

Abatement Worker (full from 11/10/89).

Contractor/Supervisor (full from 11/10/89).

Inspector (full from 11/10/89).

Inspector/Management Planner (full from 11/10/89).

Project Designer (full from 11/10/89).

(i)(a) *Training Provider*: ATI Environmental Services.

Address: P.O. Box 3044, Louisville, KY 40201, Contact: Steve Chappars, Phone: (502) 589-5308.

(b) *Approved Courses*:

Abatement Worker (Certified 2/6/91).

Abatement Worker Annual Review (Certified 2/6/91).

Contractor/Supervisor (Certified 2/6/91).

Contractor/Supervisor Annual Review (Certified 2/18/91).

(ii)(a) *Training Provider*: Academy for Environmental Training Inc.

Address: 316 South State Avenue, Indianapolis, IN 46201, Contact: Anne Gress, Phone: (317) 269-3620.

(b) *Approved Courses*:

Abatement Worker (Certified 12/3/90).

Abatement Worker Annual Review (Certified 12/3/90).

Contractor/Supervisor (Certified 12/3/90).

Contractor/Supervisor Annual Review (Certified 12/12/90).

(iii)(a) *Training Provider*: Advanced Environmental Training Systems.

Address: 7852 East 37th Ave., Hobart, IN 46342, Contact: David McDowell, Phone: (219) 836-2675.

(b) *Approved Course*:

Abatement Worker (Certified 6/12/91).

(iv)(a) *Training Provider*: American Electric Power Company.

Address: One Summit Square, P.O. Box 60, Fort Wayne, IN 43215, Contact: Barry A. Smith, Phone: (219) 425-2392.

(b) *Approved Courses*:

Abatement Worker (Certified 2/25/91).

Contractor/Supervisor (Certified 2/25/91).

(v)(a) *Training Provider*: American Environmental Training Institute, Inc.

Address: P.O. Box 80279-107, Indianapolis, IN 46280, Contact: Jon Handy, Phone: (317) 259-4985.

(b) *Approved Courses*:

Abatement Worker (Certified 6/13/91).

Contractor/Supervisor (Certified 6/13/91).

(vi)(a) *Training Provider*: Asbestos Workers Council.

Address: 1216 East McMillan St., Cincinnati, OH 45206, Contact: Larry Briley, Phone: (513) 461-1512.

(b) *Approved Courses*:

Abatement Worker (Certified 3/5/91).

Abatement Worker Annual Review (Certified 3/5/91).

(vii)(a) *Training Provider*: CRU Incorporated.

Address: 13029 Middletown Industrial Boulevard, Louisville, KY 40223, Contact: William Ringo, Phone: (502) 244-8844.

(b) *Approved Courses*:

Contractor/Supervisor (Certified 2/26/91).

Contractor/Supervisor Annual Review (Certified 2/26/91).

Inspector/Management Planner (Certified 5/31/91).

Inspector/Management Planner Annual Review (Certified 2/26/91).

(viii)(a) *Training Provider*: Environment Technology of Fort Wayne.

Address: P.O. Box 6153, Fort Wayne, IN 46896, Contact: Randy Aumsbaugh, Phone: (219) 749-5150.

(b) *Approved Courses*:

Abatement Worker (Certified 11/6/90).

Abatement Worker Annual Review (Certified 11/6/90).

(ix)(a) *Training Provider*: Environmental Management Consultants, Inc.

Address: 427 Main St., Evansville, IN 47708, Contact: Barbara Kramer, Phone: (812) 424-7768.

(b) *Approved Courses*:

Abatement Worker (Certified 3/8/91).

Abatement Worker Annual Review (Certified 3/8/91).

Contractor/Supervisor (Certified 3/27/91).  
 Contractor/Supervisor Annual Review (Certified 3/27/91).  
 (x)(a) *Training Provider:* Environmental Management Institute, Inc.  
 Address: 5610 Crawfordsville Rd., Suite 15, Indianapolis, IN 46224, Contact: Jack Leonard, Phone: (317) 248-4848.  
 (b) *Approved Courses:*  
 Abatement Worker (Certified 1/23/91).  
 Abatement Worker Annual Review (Certified 10/19/90).  
 Contractor/Supervisor (Certified 1/23/91).  
 Contractor/Supervisor Annual Review (Certified 10/19/90).  
 Inspector/Management Planner (Certified 10/26/90).  
 Inspector/Management Planner Annual Review (Certified 1/23/91).  
 Project Designer Annual Review (Certified 2/26/91).  
 (xi)(a) *Training Provider:* Environmental Safety Training Services Inc.  
 Address: 11802 Hanson Road, Algonquin, IL 60102, Contact: Robert Sayre, Phone: (708) 658-5950.  
 (b) *Approved Course:*  
 Abatement Worker (Certified 10/23/90).  
 (xii)(a) *Training Provider:* Environmental Training Institute.  
 Address: 4708 Angold Rd., Toledo, OH 43615, Contact: Jay Burzynski, Phone: (419) 382-9200.  
 (b) *Approved Courses:*  
 Abatement Worker (Certified 2/6/91).  
 Abatement Worker Annual Review (Certified 2/6/91).  
 (xiii)(a) *Training Provider:* Heat & Frost Insulators & Asbestos Workers Local Union No. 17 Apprentice Training Center.  
 Address: 3850 South Racine Ave., Chicago, IL 60600, Contact: John P. Shine, Phone: (312) 247-1007.  
 (b) *Approved Courses:*  
 Abatement Worker (Certified 2/6/91).  
 Abatement Worker Annual Review (Certified 2/6/91).  
 Contractor/Supervisor (Certified 2/6/91).  
 Contractor/Supervisor Annual Review (Certified 2/6/91).  
 (xiv)(a) *Training Provider:* Indiana Laborers' Training Trust Fund.  
 Address: P.O. Box 758, Bedford, IN 47421, Contact: Richard Fassino, Phone: (812) 279-9751.  
 (b) *Approved Courses:*  
 Abatement Worker (Certified 6/10/91).  
 Abatement Worker Annual Review (Certified 10/1/90).

Contractor/Supervisor (Certified 10/1/90).  
 Contractor/Supervisor Annual Review (Certified 10/1/90).  
 (xv)(a) *Training Provider:* Indoor Air Quality Services, Inc.  
 Address: 5008 Isabella Lane, Muncie, IN 47304, Contact: Thad Godish, Phone: (317) 285-5782.  
 (b) *Approved Course:*  
 Contractor/Supervisor (Certified 5/13/91).  
 (xvi)(a) *Training Provider:* Industrial Environmental Consultants.  
 Address: 2875 Northwind, Suite 113, East Lansing, MI 48823, Contact: Michael R. Tillotson, Phone: (517) 332-7026.  
 (b) *Approved Courses:*  
 Abatement Worker (Certified 2/6/91).  
 Contractor/Supervisor (Certified 2/6/91).  
 (xvii)(a) *Training Provider:* Keter Environmental, Inc.  
 Address: 17201 Westview, South Holland, IL 60473, Contact: Phil Pekron, Phone: (708) 333-4392.  
 (b) *Approved Courses:*  
 Abatement Worker (Certified 1/28/91).  
 Abatement Worker Annual Review (Certified 1/28/91).  
 Contractor/Supervisor (Certified 1/28/91).  
 Contractor/Supervisor Annual Review (Certified 1/28/91).  
 Inspector (Certified 3/28/91).  
 Inspector Annual Review (Certified 4/2/91).  
 (xviii)(a) *Training Provider:* Moraine Valley Community College.  
 Address: 10900 South 88th Ave., Palos Hills, IL 60465, Contact: Dale Luecht, Phone: (708) 974-5415.  
 (b) *Approved Courses:*  
 Abatement Worker (Certified 3/4/91).  
 Inspector (Certified 3/4/91).  
 (xix)(a) *Training Provider:* PSI/Hall Kimbrell.  
 Address: 75 Executive Drive., Suite 434, Aurora, IL 60504, Contact: Greg Corder, Phone: (708) 898-9414.  
 (b) *Approved Courses:*  
 Abatement Worker (Certified 2/26/91).  
 Abatement Worker Annual Review (Certified 3/18/91).  
 Contractor/Supervisor (Certified 2/26/91).  
 Contractor/Supervisor Annual Review (Certified 2/26/91).  
 (xx)(a) *Training Provider:* The Environmental Institute.  
 Address: 350 Franklin Road, Marietta, GA 30067, Contact: Rachel McCain, Phone: (404) 425-2000.

(b) *Approved Courses:*  
 Contractor/Supervisor Annual Review (Certified 2/26/91).  
 Inspector/Management Planner Annual Review (Certified 3/28/91).  
 (xxi)(a) *Training Provider:* The Environmental Training Center of Southern Ohio & Kentucky.  
 Address: 607 Shepherd Drive, Unit 7, Cincinnati, OH 45215, Contact: Robert E. Robb, Jr., Phone: (513) 563-2828.  
 (b) *Approved Courses:*  
 Project Designer (Certified 3/5/91).  
 Project Designer Annual Review (Certified 5/31/91).  
 (xxii)(a) *Training Provider:* The National Training Fund for the Sheet Metal & Air Conditioning Industry.  
 Address: 601 North Fairfax St., Suite 240, Alexandria, VA 22314, Contact: Gerald Olejniczak, Phone: (703) 739-7200.  
 (b) *Approved Courses:*  
 Abatement Worker (Certified 3/5/91).  
 Abatement Worker Annual Review (Certified 3/5/91).  
 Contractor/Supervisor (Certified 3/5/91).  
 Contractor/Supervisor Annual Review (Certified 3/5/91).  
 (xxiii)(a) *Training Provider:* University of Cincinnati Medical Center Department of Environmental Health.  
 Address: 3223 Eden Ave. ML056, Cincinnati, OH 45267, Contact: Judy L. Jarrell, Phone: (513) 558-1730.  
 (b) *Approved Courses:*  
 Contractor/Supervisor (Certified 2/18/91).  
 Contractor/Supervisor Annual Review (Certified 2/18/91).  
 Inspector/Management Planner (Certified 2/18/91).  
 Inspector/Management Planner Annual Review (Certified 2/18/91).  
 Project Designer (Certified 2/18/91).  
 Project Designer Annual Review (Certified 2/18/91).  
 (xxiv)(a) *Training Provider:* Walker & Ward, Inc.  
 Address: 2803-B North St., Joseph Ave., Evansville, IN 47720, Contact: Roger Ward, Phone: (812) 421-1900.  
 (b) *Approved Courses:*  
 Abatement Worker (Certified 2/1/91).  
 Contractor/Supervisor (Certified 2/1/91).  
 Iowa  
 (11)(a) *State Agency:* Iowa Dept. of Education School Facilities Administration & Accreditation.  
 Address: Grimes State Office Bldg., Des



Moines, IA 50319-0146, Contact: C. Milton Wilson, Phone: (515) 281-4743.

**(b) Approved Accreditation Program Disciplines:**

Abatement Worker (full from 11/30/87).  
Contractor/Supervisor (full from 11/30/87).

Inspector (full from 11/30/87).  
Inspector/Management Planner (full from 11/30/87).

Project Designer (full from 11/30/87).

(i)(a) *Training Provider:* Advanced Technologies Corp.

Address: P.O. Box 902, Cedar Falls, IA 50613, Contact: Michael L. Llewellyn, Phone: (319) 266-7524.

**(b) Approved Course:**

Contractor/Supervisor (Certified 7/15/90).

(ii)(a) *Training Provider:* Ames Environmental, Inc.

Address: 3910 Lincoln Way, Ames, IA 50010, Contact: Ann Fairchild, Phone: (515) 292-3400.

**(b) Approved Courses:**

Abatement Worker (Certified 1/18/90).  
Abatement Worker Annual Review (Certified 1/18/90).

Inspector Annual Review (Certified 12/8/89).

(iii)(a) *Training Provider:* Iowa Electric Light & Power.

Address: Duane Arnold Nuclear Energy Center, 3363 DEAC Rd., Palo, IA 52324, Contact: Robert Tucker, Phone: (319) 851-7574.

**(b) Approved Course:**

Contractor/Supervisor (Certified 10/1/89).

(iv)(a) *Training Provider:* Iowa Environmental Services, Inc.

Address: 820 First St., Suite 200, West Des Moines, IA 50365, Contact: Glenn Soyer, Phone: (515) 279-8042.

**(b) Approved Courses:**

Abatement Worker (Certified 3/27/89).  
Abatement Worker Annual Review (Certified 7/1/91).

Contractor/Supervisor (Certified 10/1/89).

Contractor/Supervisor Annual Review (Certified 7/1/91).

(v)(a) *Training Provider:* Iowa Illinois Thermal Insulation Inc.

Address: P.O. Box 931, Davenport, IA 52805-0931, Contact: Richard H. Knauss, Phone: (319) 324-0685.

**(b) Approved Course:**

Contractor/Supervisor Annual Review (Certified 1/27/90).

(vi)(a) *Training Provider:* M & W Environmental Consultants, Inc.

Address: RR No. 1 Wells Dr., Canton, IA 61520, Contact: Vahooman Mirkhaef, Phone: (800) 445-8745.

**(b) Approved Course:**  
Inspector/Management Planner (Certified 10/1/89).

(vii)(a) *Training Provider:* National Asbestos Training Center University of Kansas

Address: 6600 College Blvd., Suite 315, Overland Park, KS 66211, Contact: Karen Wilson, Phone: (913) 491-0221.

**(b) Approved Course:**

Project Designer Annual Review (Certified 4/22/91).

(viii)(a) *Training Provider:* Wisconsin Asbestos Advisory Team, Inc.

Address: 9402 N. Lakeshore Drive, Van Dyne, WI 54979, Contact: Robert P. LaPoint, Phone: (414) 922-8110.

**(b) Approved Courses:**

Contractor/Supervisor (Certified 7/15/90).

Contractor/Supervisor Annual Review (Certified 7/15/90).

**Kansas**

(12)(a) *State Agency:* Kansas Dept. of Health and Environment Asbestos Control Section, Address: Forbes Field Building 740, Topeka, KS 66620-7430, Contact: Gary Miller, Phone: (913) 296-1547.

**(b) Approved Accreditation Program Disciplines:**

Abatement Worker (interim from 11/6/86).\*

Abatement Worker (full from 12/16/87).\*

Contractor/Supervisor (interim from 11/6/86).

Contractor/Supervisor (full from 12/16/87).

(i)(a) *Training Provider:* Air Technology Institute.

Address: P.O. Box 888, Wichita, KS 67201, Contact: John Pfister, Phone: (316) 264-2208.

**(b) Approved Courses:**

Abatement Worker (Certified 3/21/91).  
Abatement Worker Annual Review (Certified 4/27/91).

Contractor/Supervisor (Certified 3/22/91).

Contractor/Supervisor Annual Review (Certified 4/28/91).

**Maine**

(13)(a) *State Agency:* State of Maine Department of Environmental Protection, Address: State House Station No. 17, Augusta, ME 04333, Contact: Ed Antz, Phone: (207) 582-8740.

**(b) Approved Accreditation Program Disciplines:**

\* Applies only to workers who have taken the Kansas Contractor/Supervisor course and passed the State's worker exam.

Abatement Worker (full from 11/5/90).  
Contractor/Supervisor (full from 11/5/90).

Inspector (full from 11/5/90).

Inspector/Management Planner (full from 11/5/90).

Project Designer (full from 11/5/90).

(i)(a) *Training Provider:* Balsam Environmental Consultants.

Address: 5 Industrial Way, Salem, NH 03079, Contact: Douglas Lawson, Phone: (603) 893-0616.

**(b) Approved Courses:**

Inspector/Management Planner (Certified 12/3/90).

Project Designer (Certified 12/3/90).

(ii)(a) *Training Provider:* Industrial Hygiene New England Inc.

Address: 121 Main St., Biddeford, ME 04005, Contact: Peter Noddin, Phone: (207) 282-1912.

**(b) Approved Course:**

Project Designer (Certified 2/15/91).

(iii)(a) *Training Provider:* Maine Labor Group on Health.

Address: P.O. Box V, Augusta, ME 04330, Contact: Diana White, Phone: (207) 622-7823.

**(b) Approved Courses:**

Abatement Worker (Certified 12/3/90).  
Abatement Worker Annual Review (Certified 12/3/90).

Contractor/Supervisor (Certified 12/3/90).

Contractor/Supervisor Annual Review (Certified 12/3/90).

Project Designer (Certified 6/28/91).

Project Designer Annual Review (Certified 6/28/91).

(iv)(a) *Training Provider:* National Asbestos Council.

Address: c/o MACC, P.O. Box 1568, 416 Lewiston Jct. Road, Auburn, ME 04210, Contact: Ron Tillson, Phone: (207) 783-4260.

**(b) Approved Courses:**

Abatement Worker (Certified 12/3/90).  
Abatement Worker Annual Review (Certified 12/3/90).

(v)(a) *Training Provider:* Northeast Test Consultants.

Address: 587 Spring Street, Westbrook, ME 04092, Contact: Tom Sukeforth, Phone: (207) 854-3939.

**(b) Approved Courses:**

Abatement Worker (Certified 5/29/91).  
Abatement Worker Annual Review (Certified 12/3/90).

Contractor/Supervisor (Certified 5/29/91).

Contractor/Supervisor Annual Review (Certified 12/3/90).

**Massachusetts**

(14)(a) *State Agency:* Massachusetts Dept. of Labor & Industries; Division of Occupational Hygiene, Address: 1001 Watertown St., West Newton, MA 02165, Contact: Patricia Circone, Phone: (617) 727-3983.

(b) *Approved Accreditation Program Disciplines:*

Abatement Worker (full from 10/30/87).  
Contractor/Supervisor (full from 10/30/87).

Inspector (full from 10/30/87).  
Inspector/Management Planner (full from 10/30/87).

Project Designer (full from 10/30/87).

(i)(a) *Training Provider:* A & S Training School, Inc.

Address: 99 South Cameron St., Harrisburg, PA 17101, Contact: William I. Roberts, Phone: (717) 257-1360.

(b) *Approved Courses:*

Abatement Worker (Certified 7/31/90).

Abatement Worker Annual Review (Certified 7/31/90).

Contractor/Supervisor (Certified 5/4/88).

Contractor/Supervisor Annual Review (Certified 5/4/89).

(ii)(a) *Training Provider:* Abatement Technical Corporation c/o Ecosystems, Inc.

Address: 5 North Meadow Rd., Medfield, MA 02052, Contact: Joseph C. Mohen, Phone: (609) 692-0883.

(b) *Approved Courses:*

Abatement Worker (Certified 4/28/88 to 4/28/89 only).

Contractor/Supervisor (Certified 4/28/88 to 4/28/89 only).

Inspector/Management Planner (Certified 4/28/88 to 4/28/89 only).

(iii)(a) *Training Provider:* Asbestos Workers Union Local 6.

Address: 56 Rolland St., Boston, MA 02129, Contact: James P. McCourt, Phone: (617) 387-2679.

(b) *Approved Courses:*

Abatement Worker (Certified 4/25/88).  
Abatement Worker Annual Review (Certified 4/25/89).

Contractor/Supervisor (Certified 4/25/88).

Contractor/Supervisor Annual Review (Certified 4/25/89).

(iv)(a) *Training Provider:* Asbestos Workers Union Local 43.

Address: 1053 Burts Pit Rd., Northampton, MA 01000, Contact: John Charest, Jr., Phone: (413) 584-0028.

(b) *Approved Courses:*

Abatement Worker Annual Review (Certified 4/27/90).

Contractor/Supervisor Annual Review (Certified 4/27/90).

(v)(a) *Training Provider:* Astoria Industries, Inc.

Address: 538 Stewart Ave., Brooklyn, NY 11222, Contact: Gary Dipaolo, Phone: (718) 387-0011.

(b) *Approved Course:*

Abatement Worker (Certified 4/8/88 to 4/8/89 only).

(vi)(a) *Training Provider:* Astral Environmental Assoc.

Address: 3 Adams Lane, Westford, MA 01886, Contact: Dorothy Young, Phone: (508) 692-2070.

(b) *Approved Courses:*

Abatement Worker (Certified 6/5/89).

Abatement Worker Annual Review (Certified 7/13/89).

Contractor/Supervisor (Certified 7/13/89).

Contractor/Supervisor Annual Review (Certified 7/13/89).

(vii)(a) *Training Provider:* BCM Engineering.

Address: 12 Alfred St., Suite 300, Woburn, MA 01801, Contact: Pam Evans, Phone: (617) 935-7080.

(b) *Approved Courses:*

Abatement Worker (Certified 4/28/88).

Inspector/Management Planner (Certified 4/28/88).

Project Designer (Certified 4/28/88).

(viii)(a) *Training Provider:* BFI/Stevens.

Address: 777 N Eldridge, Suite 650, Houston, TX 77079, Contact: James G. Cole, Phone: (713) 870-9666.

(b) *Approved Courses:*

Abatement Worker (Certified 9/6/90).

Abatement Worker Annual Review (Certified 9/6/90).

(ix)(a) *Training Provider:* Balsm Environmental Consultants.

Address: 59 Stiles Rd., Salem, NH 03079, Contact: Douglas Lawson, Phone: (603) 893-0616.

(b) *Approved Courses:*

Inspector/Management Planner (Certified 3/1/90).

Inspector/Management Planner Annual Review (Certified 3/1/90).

Project Designer (Certified 3/1/90).

Project Designer Annual Review (Certified 3/1/90).

(x)(a) *Training Provider:* Certified Engineering & Testing Co., Inc.

Address: 100 Crossman Dr., Braintree, MA 02184, Contact: Robert Thornburgh, Phone: (617) 849-0111.

(b) *Approved Courses:*

Abatement Worker (Certified 9/26/88).

Abatement Worker Annual Review (Certified 9/26/88).

Contractor/Supervisor (Certified 9/26/88).

Contractor/Supervisor Annual Review (Certified 9/26/88).

Inspector/Management Planner (Certified 9/26/88).

Inspector/Management Planner Annual Review (Certified 9/26/88).

Project Designer (Certified 9/26/88).

(xi)(a) *Training Provider:* Community College of Rhode Island.

Address: 1762 Louisquisset Pike, Lincoln, RI 02865, Contact: Richard Tessier, Phone: (401) 333-7060.

(b) *Approved Courses:*

Contractor/Supervisor (Certified 7/30/90).

Contractor/Supervisor Annual Review (Certified 2/5/90).

Inspector/Management Planner (Certified 7/30/90).

Inspector/Management Planner Annual Review (Certified 8/3/89).

(xii)(a) *Training Provider:* Con-Test, Inc.

Address: P.O. Box 591, East Longmeadow, MA 01028, Contact: Brenda Bolduc, Phone: (413) 525-1198.

(b) *Approved Courses:*

Abatement Worker (Certified 2/25/88).

Abatement Worker Annual Review (Certified 2/25/89).

Contractor/Supervisor (Certified 2/25/88).

Contractor/Supervisor Annual Review (Certified 2/25/89).

Inspector/Management Planner (Certified 2/25/88).

Inspector/Management Planner Annual Review (Certified 2/25/89).

Project Designer (Certified 2/25/88).

Project Designer Annual Review (Certified 2/25/88).

(xiii)(a) *Training Provider:* Dennison Environmental, Inc.

Address: 35 Industrial Hwy., Woburn, MA 01880, Contact: Joan Ryan, Phone: (617) 932-9400.

(b) *Approved Courses:*

Abatement Worker (Certified 4/8/88).

Abatement Worker Annual Review (Certified 4/8/89).

Contractor/Supervisor (Certified 4/8/88).

Contractor/Supervisor Annual Review (Certified 4/8/89).

Inspector (Certified 4/8/88).

Inspector/Management Planner Annual Review (Certified 4/8/89).

(xiv)(a) *Training Provider:* ESTRI.

Address: 55 Ferncraft Rd., Suite 201, Danvers, MA 01923, Contact: Martin Leavitt, Phone: (508) 777-8789.

(b) *Approved Courses:*

Abatement Worker (Certified 7/17/89).

Abatement Worker Annual Review  
(Certified 7/17/89).

Contractor/Supervisor (Certified 7/17/89).

Contractor/Supervisor Annual Review  
(Certified 7/17/89).

Inspector/Management Planner  
(Certified 9/12/89).

Inspector/Management Planner Annual  
Review (Certified 9/12/89).

(xv)(a) *Training Provider:*  
EcoSystems, Inc.

Address: 2 Deerwood Rd., Westport, CT  
06880, Contact: Richard Doyle, Phone:  
(203) 226-4421.

(b) *Approved Courses:*

Abatement Worker (Certified 6/13/89).

Contractor/Supervisor (Certified 6/13/89).

(xvi)(a) *Training Provider:* Enviromed  
Services.

Address: 25 Science Park, New Haven,  
CT 06511, Contact: Lawrence J.  
Cannon, Phone: (203) 786-5580.

(b) *Approved Courses:*

Abatement Worker (Certified 10/16/89).  
Contractor/Supervisor (Certified 10/16/89).

Contractor/Supervisor Annual Review  
(Certified 10/16/89).

(xvii)(a) *Training Provider:*  
Environmental Training Corp.

Address: 100 Moody St., Suite 200,  
Ludlow, MA 01056, Contact: Ann  
Folta, Phone: (413) 589-1882.

(b) *Approved Courses:*

Abatement Worker (Certified 8/5/88).

Abatement Worker Annual Review  
(Certified 8/5/89).

Contractor/Supervisor (Certified 8/5/88).

Contractor/Supervisor Annual Review  
(Certified 8/5/89).

(xviii)(a) *Training Provider:*  
Environmental Training Services.

Address: 62 - H Montvale Pl., Stoneham,  
MA 02180, Contact: Maryann Martin,  
Phone: (617) 279-0855.

(b) *Approved Courses:*

Abatement Worker (Certified 4/8/88).

Abatement Worker Annual Review  
(Certified 4/8/89).

Contractor/Supervisor (Certified 4/8/88).

Contractor/Supervisor Annual Review  
(Certified 4/8/89).

(xix)(a) *Training Provider:* GSX  
Northeast Solvents Inc.

Address: 221 Sutton St., N. Audover, MA  
01845, Contact: Cynthia Whaler,  
Phone: (508) 683-1002.

(b) *Approved Courses:*

Abatement Worker Annual Review  
(Certified 4/17/90).

Contractor/Supervisor Annual Review  
(Certified 4/17/90).

(xx)(a) *Training Provider:* General  
Physics Corp.

Address: 6700 Alexander Bell Dr.,  
Columbia, MD 21046, Contact: Andy  
Marsh, Phone: (301) 290-2300.

(b) *Approved Courses:*

Abatement Worker Annual Review  
(Certified 9/6/88).

Contractor/Supervisor (Certified 9/6/88).

Contractor/Supervisor Annual Review  
(Certified 9/6/88).

(xxi)(a) *Training Provider:* Hall-  
Kimbrell Environmental Services.

Address: P.O. Box 307, Lawrence, KS  
66046, Contact: Alice Hart, Phone:  
(800) 346-2860.

(b) *Approved Courses:*

Abatement Worker (Certified 4/25/88).

Abatement Worker Annual Review  
(Certified 4/25/88).

Contractor/Supervisor (Certified 4/25/88).

Contractor/Supervisor Annual Review  
(Certified 4/25/88).

Inspector/Management Planner  
(Certified 4/25/88).

Inspector/Management Planner Annual  
Review (Certified 4/25/88).

Project Designer (Certified 4/25/88).

Project Designer Annual Review  
(Certified 4/25/88).

(xxii)(a) *Training Provider:* Harvard  
School of Public Health.

Address: 677 Huntington Ave., Boston,  
MA 02115, Contact: William A.  
Burgess, Phone: (617) 732-1171.

(b) *Approved Courses:*

Contractor/Supervisor (Certified 2/25/88).

Inspector/Management Planner  
(Certified 2/25/88).

Inspector/Management Planner Annual  
Review (Certified 5/25/89).

Project Designer (Certified 2/25/88).

Project Designer Annual Review  
(Certified 5/25/89).

(xxiii)(a) *Training Provider:* Hygeia,  
Inc.

Address: 303 Bear Hill Rd., Waltham,  
MA 02154, Contact: David Kaplan,  
Phone: (617) 890-4999.

(b) *Approved Courses:*

Abatement Worker (Certified 8/5/88).

Abatement Worker Annual Review  
(Certified 10/31/89).

Contractor/Supervisor (Certified 8/5/88).

Contractor/Supervisor Annual Review  
(Certified 10/31/89).

Inspector/Management Planner  
(Certified 3/23/90).

Inspector/Management Planner Annual  
Review (Certified 3/23/90).

(xxiv)(a) *Training Provider:*  
Hygienetics, Inc.

Address: 150 Causeway St., Boston, MA  
02114, Contact: Marybeth Carver,  
Phone: (617) 723-4664.

(b) *Approved Courses:*

Abatement Worker (Certified 2/25/89).

Abatement Worker Annual Review  
(Certified 2/25/89).

Contractor/Supervisor (Certified 2/25/89).

Contractor/Supervisor Annual Review  
(Certified 2/25/89).

Inspector/Management Planner  
(Certified 2/25/89).

Inspector/Management Planner Annual  
Review (Certified 2/25/89).

Project Designer Annual Review  
(Certified 3/4/91).

(xxv)(a) *Training Provider:* Institute  
for Environmental Education.

Address: 500 West Cummings Pk., Suite  
3650, Woburn, MA 01801, Contact:  
Starla L. Engelhardt, Phone: (617) 935-  
7370.

(b) *Approved Courses:*

Abatement Worker (Certified 4/28/88).

Abatement Worker Annual Review  
(Certified 5/26/89).

Contractor/Supervisor (Certified 4/28/88).

Contractor/Supervisor Annual Review  
(Certified 5/26/89).

Inspector/Management Planner  
(Certified 4/28/88).

Inspector/Management Planner Annual  
Review (Certified 5/26/89).

Project Designer (Certified 4/28/88).

Project Designer Annual Review  
(Certified 4/28/88).

(xxvi)(a) *Training Provider:* JF Walton  
& Co.

Address: 201 Marginal St., P.O. Box  
6120, Chelsea, MA 02150, Contact:  
James O'Connor, Phone: (617) 884-  
0350.

(b) *Approved Courses:*

Abatement Worker (Certified 3/28/88).

Abatement Worker Annual Review  
(Certified 3/28/89).

(xxvii)(a) *Training Provider:* Kaselaan  
& D'Angelo Associates.

Address: 500 Victory Rd., Suite 270,  
North Quincy, MA 02171, Contact:  
Paul Heffernan, Phone: (617) 472-1330.

(b) *Approved Courses:*

Abatement Worker (Certified 2/25/88).

Abatement Worker Annual Review  
(Certified 2/25/89).

Contractor/Supervisor (Certified 2/25/88).

Contractor/Supervisor Annual Review  
(Certified 2/25/89).

Inspector/Management Planner  
(Certified 2/25/88).

Inspector/Management Planner Annual  
Review (Certified 2/25/89).

(xxviii)(a) *Training Provider:* Metcalf and Eddy Services Inc.

Address: 30 Harvard Mill Square, Wakefield, MA 01880, Contact: Gary Rodriques, Phone: (508) 777-8789.

(b) *Approved Courses:*

Abatement Worker (Certified 10/23/90).

Abatement Worker Annual Review (Certified 10/23/90).

Contractor/Supervisor (Certified 10/23/90).

Contractor/Supervisor Annual Review (Certified 10/23/90).

Inspector/Management Planner (Certified 10/23/90).

Inspector/Management Planner Annual Review (Certified 10/23/90).

(xxix)(a) *Training Provider:* Mystic Air Quality Consultants.

Address: 1085 Buddington Rd., Groton, CT 06340, Contact: Christopher Eident, Phone: (203) 449-8903.

(b) *Approved Courses:*

Abatement Worker (Certified 1/11/89).

Abatement Worker Annual Review (Certified 2/2/90).

Contractor/Supervisor (Certified 1/11/89).

Contractor/Supervisor Annual Review (Certified 1/11/89).

Inspector/Management Planner (Certified 2/2/90).

Inspector/Management Planner Annual Review (Certified 2/2/90).

(xxx)(a) *Training Provider:* National Asbestos Training Center of Kansas.

Address: 6600 College Blvd., Overland Park, KS 66211, Contact: Lani Himegarner, Phone: (913) 491-0181.

(b) *Approved Courses:*

Abatement Worker (Certified 5/20/88).

Abatement Worker Annual Review (Certified 5/20/89).

Contractor/Supervisor (Certified 5/20/88).

Contractor/Supervisor Annual Review (Certified 5/20/89).

(xxxii)(a) *Training Provider:* National Training Fund/Workers Institute for Safety & Health (WISH).

Address: 1126 16th St., NW., Washington, DC 20036, Contact: Scott Schneider, Phone: (202) 887-1980.

(b) *Approved Courses:*

Abatement Worker (Certified 5/10/88).

Contractor/Supervisor (Certified 5/10/88).

Contractor/Supervisor Annual Review (Certified 5/10/89).

(xxxiii)(a) *Training Provider:* New England Laborers Training Trust Fund.

Address: 37 East St., Hopkinton, MA 01748-2699, Contact: James Merloni, Jr., Phone: (617) 435-6316.

(b) *Approved Courses:*

Abatement Worker (Certified 2/25/88).

Abatement Worker Annual Review (Certified 2/25/89).

Contractor/Supervisor (Certified 2/25/89).

Contractor/Supervisor Annual Review (Certified 8/8/89).

(xxxiii)(a) *Training Provider:* Northern Asbestos Abatement Co.

Address: 757 A Turnpike St., North Andover, MA 01845, Contact: J. William Vitta, Phone: (508) 681-8711.

(b) *Approved Courses:*

Abatement Worker (Certified 3/18/89 to 4/15/89 only).

Abatement Worker Annual Review (Certified 3/18/89 to 4/15/89 only).

Contractor/Supervisor (Certified 3/18/89 to 4/15/89 only).

Contractor/Supervisor Annual Review (Certified 3/18/89 to 4/15/89 only).

(xxxiv)(a) *Training Provider:* O'Brien & Gere Engineers, Inc.

Address: 1304 Buckley Rd., Syracuse, NY 13221, Contact: Edwin Tift, Phone: (315) 451-4700.

(b) *Approved Courses:*

Inspector/Management Planner (Certified 11/7/88).

Project Designer (Certified 11/7/88).

(xxxv)(a) *Training Provider:* Quality Control Services, Inc.

Address: 10 Lowell Junction Rd., Andover, MA 01810, Contact: Ajay Pathak, Phone: (508) 475-0623.

(b) *Approved Courses:*

Abatement Worker (Certified 5/6/88).

Abatement Worker Annual Review (Certified 5/16/89).

Contractor/Supervisor (Certified 5/6/88).

Contractor/Supervisor Annual Review (Certified 5/16/89).

(xxxvi)(a) *Training Provider:* Safety Council of Western Massachusetts.

Address: 90 Berkshire Ave., Springfield, MA 01109, Contact: Tate Berkan, Phone: (413) 737-7908.

(b) *Approved Courses:*

Abatement Worker (Certified 6/21/88).

Abatement Worker Annual Review (Certified 6/21/89).

(xxxvii)(a) *Training Provider:* Seagull/Acts.

Address: 903 NW 8th Ave., Ft. Lauderdale, FL 33311, Contact: James Stump, Phone: (305) 524-7208.

(b) *Approved Courses:*

Abatement Worker (Certified 12/10/90).

Abatement Worker Annual Review (Certified 12/10/90).

Contractor/Supervisor (Certified 12/10/90).

Contractor/Supervisor Annual Review (Certified 12/10/90).

(xxxviii)(a) *Training Provider:* The Environmental Institute.

Address: 350 Franklin Rd., Suite 300, Marietta, GA 30067, Contact: Bill Ewing, Phone: (404) 425-2000.

(b) *Approved Courses:*

Contractor/Supervisor (Certified 10/28/88).

Contractor/Supervisor Annual Review (Certified 10/28/88).

Inspector/Management Planner (Certified 10/28/88).

Project Designer (Certified 10/28/88).

(xxxix)(a) *Training Provider:* Tufts University Asbestos Information Center.

Address: 474 Boston Ave., Medford, MA 02155, Contact: Anne Chabot, Phone: (617) 381-3531.

(b) *Approved Courses:*

Abatement Worker (Certified 3/16/88).

Abatement Worker Annual Review (Certified 3/16/89).

Contractor/Supervisor (Certified 3/16/88).

Contractor/Supervisor Annual Review (Certified 3/16/89).

Inspector/Management Planner (Certified 3/16/88).

Inspector/Management Planner Annual Review (Certified 3/16/89).

Project Designer (Certified 3/16/88).

Project Designer Annual Review (Certified 3/16/89).

(xl)(a) *Training Provider:* United Environmental Systems.

Address: 35 W 35th St., 3rd Floor, New York, NY 10001, Contact: Holly Tate, Phone: (215) 923-5441.

(b) *Approved Courses:*

Abatement Worker (Certified 10/12/90).

Abatement Worker Annual Review (Certified 10/12/90).

Contractor/Supervisor (Certified 10/12/90).

(xli)(a) *Training Provider:* University of Massachusetts Environmental Health & Safety.

Address: N. 414 Morrill Science Center, Amherst, MA 01003, Contact: Al Soreuseu, Phone: (413) 545-2682.

(b) *Approved Course:*

Abatement Worker Annual Review (Certified 10/3/89).

(xlii)(a) *Training Provider:* Weston-Atc, Inc.

Address: 1635 Pumphrey Ave., Auburn, AL 36830, Contact: Ron Thompson, Phone: (205) 826-6100.

(b) *Approved Courses:*

Contractor/Supervisor (Certified 5/25/89).

Contractor/Supervisor Annual Review (Certified 5/25/89).

Inspector/Management Planner (Certified 5/25/89).  
 Inspector/Management Planner Annual Review (Certified 5/25/89).  
 Project Designer (Certified 5/25/89).  
 Project Designer Annual Review (Certified 5/25/89).  
 (xliii)(a) *Training Provider*: Young Sales Corp.  
 Address: 1054 Central Industrial Drive, St. Louis, MO 63110, Contact: W. Todd McCane, Phone: (314) 771-3080.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 6/13/89).

#### Michigan

(15)(a) *State Agency*: State of Michigan Dept. of Public Health,  
 Address: 3500 North Logan, P.O. Box 30035, Lansing, MI 48909, Contact: Bill DeLiefde, Phone: (517) 335-8186.  
 (b) *Approved Accreditation Program Disciplines*:  
 Abatement Worker (full from 4/13/89).  
 Contractor/Supervisor (full from 4/13/89).  
 Inspector (full from 4/13/89).  
 Inspector/Management Planner (full from 4/13/89).  
 Project Designer (full from 4/13/89).  
 (i)(a) *Training Provider*: Academy for Environmental Training.  
 Address: 28650 Northline Rd., Romulus, MI 48174, Contact: Joseph W. Parker, Phone: (313) 941-5600.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 6/17/91).  
 Abatement Worker Annual Review (Certified 6/17/91).  
 Contractor/Supervisor (Certified 6/17/91).  
 Contractor/Supervisor Annual Review (Certified 6/17/91).  
 (ii)(a) *Training Provider*: Aerospace America, Inc.  
 Address: P.O. Box 146, Bay City, MI 48707, Contact: Joseph P. Goldring, Phone: (517) 684-2121.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 1/31/90).  
 Abatement Worker Annual Review (Certified 4/26/90).  
 Contractor/Supervisor (Certified 1/31/90).  
 Contractor/Supervisor Annual Review (Certified 4/26/90).  
 (iii)(a) *Training Provider*: Alderink & Associates, Inc.  
 Address: 3221 3 Miles Rd., NW., Grand Rapids, MI 49504, Contact: David Lutheuhoff, Phone: (616) 791-0730.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 11/28/89).  
 Abatement Worker Annual Review (Certified 11/28/89).

Contractor/Supervisor (Certified 11/28/89).  
 Contractor/Supervisor Annual Review (Certified 11/28/89).  
 (iv)(a) *Training Provider*: Analytical Testing & Consulting Service, Inc.  
 Address: 5468 Holiday Terrace, Kalamazoo, MI 49009, Contact: Douglas A. Haase, Phone: (616) 372-2210.  
 (b) *Approved Course*:  
 Contractor/Supervisor Annual Review (Certified 5/7/91).  
 (v)(a) *Training Provider*: Asbestos Abatement, Inc.  
 Address: 2420 N Grand River, Lansing, MI 48906, Contact: John Lynch, Phone: (517) 323-0052.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 5/28/91).  
 (vi)(a) *Training Provider*: Asbestos Management, Inc.  
 Address: 36700 S. Huron Rd., New Boston, MI 48164, Contact: LaDonna Slifco, Phone: (313) 961-6135.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 12/20/89).  
 Abatement Worker Annual Review (Certified 12/20/89).  
 Contractor/Supervisor (Certified 12/20/89).  
 Contractor/Supervisor Annual Review (Certified 12/20/89).  
 Inspector/Management Planner (Certified 12/20/89).  
 Inspector/Management Planner Annual Review (Certified 12/20/89).  
 (vii)(a) *Training Provider*: Asbestos Services Inc.  
 Address: 9028 Hills Rd., Baroda, MI 49101, Contact: Dennis W Calkins, Phone: (616) 422-2174.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 1/11/90).  
 Abatement Worker Annual Review (Certified 1/11/90).  
 Contractor/Supervisor (Certified 1/11/90).  
 Contractor/Supervisor Annual Review (Certified 1/11/90).  
 (viii)(a) *Training Provider*: Asbestos Workers Local 25.  
 Address: 29200 Vasser, Livonia, MI 48152, Contact: Dan A. Somenauer, Phone: (313) 471-1007.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 4/25/90).  
 Abatement Worker Annual Review (Certified 4/25/90).  
 Contractor/Supervisor (Certified 7/12/90).  
 Contractor/Supervisor Annual Review (Certified 7/12/90).  
 (ix)(a) *Training Provider*: Asbestos Workers Local 47.

Address: 8735 O' Hern, Saginaw, MI 48603, Contact: Ed Davenport, Phone: (517) 279-8054.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 3/20/90).  
 Abatement Worker Annual Review (Certified 3/20/90).  
 (x)(a) *Training Provider*: BDN Industrial Hygiene Consultants.  
 Address: 8105 Valleywood Ln., Portage, MI 49002, Contact: Brent Bassett, Phone: (616) 329-1237.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 11/13/89).  
 Abatement Worker Annual Review (Certified 11/13/89).  
 Contractor/Supervisor (Certified 11/13/89).  
 Contractor/Supervisor Annual Review (Certified 11/13/89).  
 Inspector/Management Planner (Certified 12/14/89).  
 Inspector/Management Planner Annual Review (Certified 4/24/90).  
 Project Designer Annual Review (Certified 11/21/90).  
 (xi)(a) *Training Provider*: Barton Associates.  
 Address: 1265 Westport Rd., Ann Arbor, MI 48103, Contact: Sara Bassett, Phone: (313) 665-3681.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 1/19/90).  
 Abatement Worker Annual Review (Certified 4/5/90).  
 Contractor/Supervisor (Certified 9/18/89).  
 Contractor/Supervisor Annual Review (Certified 4/5/90).  
 (xii)(a) *Training Provider*: Bierlein Demolition.  
 Address: 2903 S. Graham Rd., Saginaw, MI 48603, Contact: Ramond E. Passeno, Phone: (517) 781-1810.  
 (b) *Approved Courses*:  
 Contractor/Supervisor (Certified 11/20/89).  
 Contractor/Supervisor Annual Review (Certified 11/20/89).  
 (xiii)(a) *Training Provider*: Burdco Environmental, Inc.  
 Address: P.O. Box 52638, Livonia, MI 48150, Contact: Van S. Mauzy, Phone: (313) 462-9490.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 2/5/91).  
 Abatement Worker Annual Review (Certified 2/5/91).  
 Contractor/Supervisor Annual Review (Certified 2/5/91).  
 (xiv)(a) *Training Provider*: Clayton Environmental Conslt.

Address: 22345 Roethel Dr., Novi, MI 48050, Contact: Roger Swanson, Phone: (313) 344-1770.

(b) *Approved Courses:*

Inspector/Management Planner (Certified 2/9/90).

Inspector/Management Planner Annual Review (Certified 1/9/90).

(xv)(a) *Training Provider:* Clean Air Management, Inc.

Address: 39319 Plymouth Rd., Livonia, MI 48150, Contact: James Kukalis, Phone: (313) 462-0800.

(b) *Approved Courses:*

Abatement Worker (Certified 5/29/90).

Contractor/Supervisor (Certified 5/29/90).

(xvi)(a) *Training Provider:* DeLisle Associates, LTD.

Address: 8225 Moorsbridge Rd., Portage, MI 49002, Contact: Walt Oberhew, Phone: (616) 327-8225.

(b) *Approved Courses:*

Abatement Worker (Certified 12/12/89).

Abatement Worker Annual Review (Certified 12/12/89).

Contractor/Supervisor (Certified 12/12/89).

Contractor/Supervisor Annual Review (Certified 12/12/89).

Inspector/Management Planner (Certified 12/12/89).

Inspector/Management Planner Annual Review (Certified 12/12/89).

(xvii)(a) *Training Provider:* EMU Corporate Services.

Address: 3075 Washtenaw Ave., Ypsilanti, MI 48197, Contact: Bertrand Ramsay, Phone: (313) 487-2259.

(b) *Approved Courses:*

Abatement Worker (Certified 1/5/90).

Abatement Worker Annual Review (Certified 11/1/89).

Contractor/Supervisor (Certified 1/5/90).

Contractor/Supervisor Annual Review (Certified 1/5/90).

Inspector/Management Planner (Certified 1/5/90).

Inspector/Management Planner Annual Review (Certified 1/5/90).

(xviii)(a) *Training Provider:* ENTELA Engineering Service.

Address: 4020 W. River Dr., Comstock Park, MI 49321, Contact: Bruce H. Connell, Phone: (616) 784-7774.

(b) *Approved Courses:*

Abatement Worker (Certified 9/26/89).

Abatement Worker Annual Review (Certified 12/14/89).

Contractor/Supervisor (Certified 9/26/89).

Contractor/Supervisor Annual Review (Certified 12/14/89).

(xix)(a) *Training Provider:* Environmental & Occupational, Consulting & Training.

Address: 3410 East Cork St., Kalamazoo, MI 49001, Contact: A. Clark Kahn, Phone: (616) 388-6085.

(b) *Approved Courses:*

Abatement Worker (Certified 11/14/89).

Abatement Worker Annual Review (Certified 11/14/89).

Contractor/Supervisor (Certified 11/14/89).

Contractor/Supervisor Annual Review (Certified 11/14/89).

(xx)(a) *Training Provider:*

Environmental Abatement System.

Address: 2727 Second Ave, Suite G-13, Detroit, MI 48201, Contact: Farrell Davis, Phone: (313) 961-6910.

(b) *Approved Courses:*

Abatement Worker (Certified 4/25/90).

Abatement Worker Annual Review (Certified 4/25/90).

Contractor/Supervisor (Certified 4/25/90).

Contractor/Supervisor Annual Review (Certified 4/25/90).

(xxi)(a) *Training Provider:*

Environmental Diversified Service.

Address: 24356 Sherwood, Centerline, MI 48015, Contact: Michael D. Berg, Phone: (313) 757-4800.

(b) *Approved Course:*

Abatement Worker (Certified 6/13/90).

(xxii)(a) *Training Provider:* Fibertec Inc.

Address: 700 Abbott Rd., East Lansing, MI 48823, Contact: Matthew H. Frisch, Phone: (517) 351-0345.

(b) *Approved Course:*

Contractor/Supervisor (Certified 10/4/89).

(xxiii)(a) *Training Provider:* G & H Contracting Assoc.

Address: 300 Acron St., Plainwell, MI 49080, Contact: Gregory G. Moe, Phone: (616) 685-1606.

(b) *Approved Courses:*

Abatement Worker (Certified 12/20/89).

Contractor/Supervisor (Certified 12/20/89).

(xxiv)(a) *Training Provider:* Howard Abatement Inc.

Address: 25415 Glendale Ave., Redford, MI 48239, Contact: William R. Wyler, Phone: (313) 537-4974.

(b) *Approved Courses:*

Abatement Worker (Certified 5/29/90).

Contractor/Supervisor (Certified 5/29/90).

(xxv)(a) *Training Provider:* Industrial Environmental Consulting.

Address: 1423 Keystone, Lansing, MI 48911, Contact: Michael Tillotson, Phone: (517) 394-0400.

(b) *Approved Courses:*

Abatement Worker (Certified 1/2/90).

Abatement Worker Annual Review (Certified 1/2/90).

Contractor/Supervisor (Certified 1/2/90).

Contractor/Supervisor Annual Review (Certified 1/2/90).

Inspector/Management Planner (Certified 1/2/90).

Inspector/Management Planner Annual Review (Certified 1/2/90).

(xxvi)(a) *Training Provider:* Jensen Environmental & Training.

Address: 651 Fisher Rd., Grosse Pointe, MI 48230, Contact: Leonard L. Jensen, Phone: (313) 882-2021.

(b) *Approved Courses:*

Abatement Worker (Certified 5/7/90).

Abatement Worker Annual Review (Certified 8/25/89).

Contractor/Supervisor (Certified 5/7/90).

Contractor/Supervisor Annual Review (Certified 8/25/89).

Inspector/Management Planner (Certified 2/12/91).

Inspector/Management Planner Annual Review (Certified 6/25/90).

Project Designer (Certified 2/12/91).

Project Designer Annual Review (Certified 12/21/90).

(xxvii)(a) *Training Provider:* Kemron Environmental Services.

Address: 39830 Grand River, B-2, Novi, MI 48375, Contact: Henry D. Baier, Phone: (313) 474-4200.

(b) *Approved Courses:*

Abatement Worker (Certified 1/22/90).

Abatement Worker Annual Review (Certified 1/22/90).

Contractor/Supervisor (Certified 1/22/90).

Contractor/Supervisor Annual Review (Certified 1/22/90).

Inspector (Certified 3/15/90).

Inspector Annual Review (Certified 3/15/90).

(xxviii)(a) *Training Provider:* Manage Right Asbestos.

Address: 314 W. Genesee Ave., Saginaw, MI 48602, Contact: Mary Margaret Brown, Phone: (517) 753-9290.

(b) *Approved Courses:*

Abatement Worker (Certified 1/2/90).

Contractor/Supervisor (Certified 1/2/90).

(xxix)(a) *Training Provider:* Michigan Laborers' Training.

Address: 11155 S. Beardslee Rd., Perry, MI 48872, Contact: Edwin H. McDonald, Phone: (517) 625-4919.

(b) *Approved Courses:*

Abatement Worker (Certified 9/21/89).  
 Abatement Worker Annual Review (Certified 9/12/89).  
 Contractor/Supervisor (Certified 9/12/89).  
 Contractor/Supervisor Annual Review (Certified 9/12/89).  
 (xxx)(a) *Training Provider*: NTH Consultants, Ltd.  
 Address: 38955 Hills Tech Drive, Farmington Hills, MI 48331, Contact: Gwen Humphrey, Phone: (313) 553-6300.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 9/14/90).  
 Abatement Worker Annual Review (Certified 8/6/90).  
 Contractor/Supervisor (Certified 12/7/90).  
 Contractor/Supervisor Annual Review (Certified 12/7/90).  
 Inspector/Management Planner Annual Review (Certified 1/11/91).  
 Project Designer Annual Review (Certified 1/30/91).  
 (xxxii)(a) *Training Provider*: National Asbestos Abatement.  
 Address: 3080 N. Center Rd., Flint, MI 48506, Contact: James Sheaffer, Phone: (313) 736-7911.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 3/20/90).  
 Abatement Worker Annual Review (Certified 3/20/90).  
 Contractor/Supervisor (Certified 3/20/90).  
 Contractor/Supervisor Annual Review (Certified 3/20/90).  
 (xxxii)(a) *Training Provider*: National Training Fund/Workers Institute.  
 Address: 1126 Sixteenth St., NW., Washington, DC 20036, Contact: Scott Schneider, Phone: (202) 887-1980.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 6/21/90).  
 Abatement Worker Annual Review (Certified 6/21/90).  
 Contractor/Supervisor (Certified 6/21/90).  
 Contractor/Supervisor Annual Review (Certified 6/21/90).  
 (xxxiii)(a) *Training Provider*: Northern Safety Consultants.  
 Address: 1406 Lincoln Ave., Marquette, MI 49855, Contact: Christopher Baker, Phone: (906) 228-5161.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 3/14/90).  
 Abatement Worker Annual Review (Certified 3/14/90).  
 Contractor/Supervisor (Certified 3/14/90).  
 Contractor/Supervisor Annual Review (Certified 3/14/90).  
 Project Designer (Certified 3/14/90).

Project Designer Annual Review (Certified 3/14/90).  
 (xxxiv)(a) *Training Provider*: Nova Environmental, Inc.  
 Address: 5340 Plymouth Rd., Suite 210, Ann Arbor, MI 48105, Contact: Kary S. Amin, Phone: (313) 930-0995.  
 (b) *Approved Courses*:  
 Abatement Worker Annual Review (Certified 4/13/90).  
 Contractor/Supervisor (Certified 9/26/90).  
 Contractor/Supervisor Annual Review (Certified 1/2/90).  
 Inspector/Management Planner (Certified 9/14/90).  
 Inspector/Management Planner Annual Review (Certified 12/14/89).  
 (xxxv)(a) *Training Provider*: Onikepo Inc.  
 Address: 3843 W. Outer Dr., Detroit, MI 48221, Contact: Constance S. Molette, Phone: (313) 862-9321.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 5/7/90).  
 Abatement Worker Annual Review (Certified 5/7/90).  
 Contractor/Supervisor (Certified 5/7/90).  
 (xxxvi)(a) *Training Provider*: PSI/Hall-Kimbrell Environ Services.  
 Address: 4840 W. 15th St., Lawrence, KS 66044, Contact: Alice Hart, Phone: (800) 346-2860.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 4/2/90).  
 Abatement Worker Annual Review (Certified 4/2/90).  
 Contractor/Supervisor (Certified 4/2/90).  
 Contractor/Supervisor Annual Review (Certified 4/2/90).  
 (xxxvii)(a) *Training Provider*: Roofers Local Union No. 149.  
 Address: P.O. Box 32800, Detroit, MI 48232, Contact: Lawrence L. Bringard, Phone: (313) 961-6093.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 3/25/91).  
 (xxxviii)(a) *Training Provider*: SE MI Coalition on Occ Safety.  
 Address: 2727 Second Ave., Detroit, MI 48201, Contact: Donele Wilkins, Phone: (313) 961-3345.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 11/28/89).  
 Abatement Worker Annual Review (Certified 11/28/89).  
 (xxxix)(a) *Training Provider*: Sierra Analytical & Consulting.  
 Address: 237 Dino Dr., Ann Arbor, MI 48103, Contact: David Nelson, Phone: (313) 662-1155.  
 (b) *Approved Courses*:

Abatement Worker (Certified 3/27/90).  
 Abatement Worker Annual Review (Certified 3/14/90).  
 Contractor/Supervisor (Certified 12/18/89).  
 Contractor/Supervisor Annual Review (Certified 3/14/90).  
 Inspector (Certified 6/25/90).  
 (xl)(a) *Training Provider*: Summit Environmental, Inc.  
 Address: 7255 Tower Rd., Battle Creek, MI 49017, Contact: William Morris, Phone: (616) 968-4242.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 11/22/89).  
 Abatement Worker Annual Review (Certified 11/22/89).  
 Contractor/Supervisor (Certified 11/22/89).  
 Contractor/Supervisor Annual Review (Certified 11/22/89).  
 (xli)(a) *Training Provider*: Testing Engineers & Consultants.  
 Address: 1333 Rochester Rd., Troy, MI 48099, Contact: Karen Brunch, Phone: (313) 588-6200.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 7/13/90).  
 Contractor/Supervisor (Certified 12/1/89).  
 Contractor/Supervisor Annual Review (Certified 6/28/90).  
 Inspector/Management Planner (Certified 11/13/89).  
 Inspector/Management Planner Annual Review (Certified 11/13/89).  
 (xlii)(a) *Training Provider*: The Brand Companies, Inc.  
 Address: 1420 Renaissance Dr., Park Ridge, IL 60068, Contact: Frank J. Barta, Phone: (708) 298-1200.  
 (b) *Approved Courses*:  
 Contractor/Supervisor (Certified 6/27/90).  
 Contractor/Supervisor Annual Review (Certified 6/27/90).  
 (xliii)(a) *Training Provider*: The Environmental Management.  
 Address: 314 S. State Ave., Indianapolis, IN 46201, Contact: Joseph Parker, Phone: (317) 269-3618.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 5/16/90 to 12/28/90 only).  
 Abatement Worker Annual Review (Certified 5/16/90 to 12/28/90 only).  
 (xliv)(a) *Training Provider*: Thermico Inc.  
 Address: 3405 Centennial Dr., Midland, MI 48640, Contact: Kevin Otis, Phone: (517) 496-2927.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 4/2/90)



Abatement Worker Annual Review  
(Certified 4/24/90).  
Contractor/Supervisor (Certified 4/25/90).

Contractor/Supervisor Annual Review  
(Certified 4/25/90).

(xlv)(a) *Training Provider*: Trust Thermal Systems.

Address: 13109 Schavey Rd., Suite 2  
Dewitt, Dewitt, MI 48820, Contact:  
Thomas J. Lowe, Phone: (517) 669-8834.

(b) *Approved Courses*:

Abatement Worker (Certified 1/8/90).

Abatement Worker Annual Review  
(Certified 1/8/90).

Contractor/Supervisor (Certified 1/8/90).

Contractor/Supervisor Annual Review  
(Certified 1/8/90).

(xlv)(a) *Training Provider*: Wonder Makers, Inc.

Address: 3101 Darmo, Kalamazoo, MI  
49008, Contact: Michael Pinto, Phone:  
(616) 382-4154.

(b) *Approved Courses*:

Abatement Worker (Certified 11/20/89).

Abatement Worker Annual Review  
(Certified 11/20/89).

Contractor/Supervisor (Certified 11/20/89).

Contractor/Supervisor Annual Review  
(Certified 11/20/89).

Inspector/Management Planner  
(Certified 11/20/89).

Inspector/Management Planner Annual  
Review (Certified 11/20/89).

#### Minnesota

(16)(a) *State Agency*: Minnesota Dept.  
of Health, Division of Environmental  
Health, Section of Occupational Health,  
Address: 925 Southeast Delaware St.,  
P.O. Box 59040, Minneapolis, MN 55459-  
0040, Contact: William A. Fetzner,  
Phone: (612) 627-5097.

(b) *Approved Accreditation Program  
Disciplines*:

Abatement Worker (full from 10/3/88).  
Contractor/Supervisor (full from 10/3/88).

(i)(a) *Training Provider*: Aerostat  
Environmental Engineering.

Address: Box 3096, Lawrence, KS 66046,  
Contact: Damir Joseph Stimac, Phone:  
(913) 749-4747.

(b) *Approved Course*:

Contractor/Supervisor Annual Review  
(Certified 12/4/90).

(ii)(a) *Training Provider*: Applied  
Environmental Sciences, Inc. (AES).

Address: Minneapolis Business & Tec.  
Center, Box 220, 511 11th Ave. South,  
Minneapolis, MN 55415, Contact:  
Franklin H. Dickson, Phone: (612) 339-5559.

(b) *Approved Courses*:

Abatement Worker (Certified 1/16/90).

Abatement Worker Annual Review  
(Certified 12/11/89).

Contractor/Supervisor (Certified 1/16/90).

Contractor/Supervisor Annual Review  
(Certified 12/11/89).

(iii)(a) *Training Provider*: Asbestos  
Technology & Training, Inc.

Address: 840 Hampden Ave., Suite 110,  
St. Paul, MN 55114, Contact: James  
Risimini, Phone: (612) 649-0043.

(b) *Approved Courses*:

Abatement Worker Annual Review  
(Certified 12/29/89 to 4/1/91 only).

Contractor/Supervisor Annual Review  
(Certified 12/29/89 to 4/1/91 only).

(iv)(a) *Training Provider*: Hall-  
Kimbrell Environmental Services.

Address: 3470 Washington Dr., Suite  
203, Eagan, MN 55122, Contact: Mike  
Tjaden, Phone: (612) 683-0463.

(b) *Approved Courses*:

Abatement Worker (Certified 1/12/90).

Abatement Worker Annual Review  
(Certified 1/12/90).

Contractor/Supervisor (Certified 1/12/90).

Contractor/Supervisor Annual Review  
(Certified 1/12/90).

(v)(a) *Training Provider*: Ilse  
Engineering Inc.

Address: 205 Board of Trade Building,  
Duluth, MN 55802, Contact: John F.  
Ilse, Phone: (218) 720-3526.

(b) *Approved Courses*:

Contractor/Supervisor (Certified 1/23/90).

Contractor/Supervisor Annual Review  
(Certified 1/23/90).

(vi)(a) *Training Provider*: Institute for  
Environmental Assessment, Inc.

Address: 433 Jackson St., Anoka, MN  
55303, Contact: Jesse Lee, Phone: (612)  
323-9770.

(b) *Approved Courses*:

Abatement Worker (Certified 11/12/89).

Abatement Worker Annual Review  
(Certified 11/12/89).

Contractor/Supervisor (Certified 11/12/89).

Contractor/Supervisor Annual Review  
(Certified 11/12/89).

(vii)(a) *Training Provider*:  
International Association of Heat &  
Frost Insulators & Asbestos Workers  
Local No. 34.

Address: 708 South 10th St.,  
Minneapolis, MN 55404, Contact: Lee  
Houske, Phone: (612) 332-3216.

(b) *Approved Courses*:

Abatement Worker (Certified 11/2/89).

Abatement Worker Annual Review  
(Certified 6/27/89).

Contractor/Supervisor (Certified 11/2/89).

Contractor/Supervisor Annual Review  
(Certified 6/27/89).

(viii)(a) *Training Provider*: Laborers  
District Council of Minnesota and North  
Dakota.

Address: 3001 Harbor Lane, Suite 105,  
Plymouth, MN 55447, Contact: Frank  
Loeffler, Phone: (612) 557-9003.

(b) *Approved Courses*:

Abatement Worker (Certified 12/17/90).

Abatement Worker Annual Review  
(Certified 8/17/90).

Contractor/Supervisor (Certified 1/7/91).

Contractor/Supervisor Annual Review  
(Certified 8/17/90).

(ix)(a) *Training Provider*: Mayhew  
Environmental Training Associates, Inc.  
(META).

Address: P.O. Box 1961, Lawrence, KS  
66044, Contact: Robyn M. Harris,  
Phone: (800) 444-6382.

(b) *Approved Courses*:

Abatement Worker (Certified 3/5/90).

Abatement Worker Annual Review  
(Certified 3/5/90).

Contractor/Supervisor (Certified 3/5/90).

Contractor/Supervisor Annual Review  
(Certified 3/5/90).

(x)(a) *Training Provider*: McNeil  
Environmental, Inc.

Address: 755 East Cliff Rd., Burnsville,  
MN 55337, Contact: Philip Allmon,  
Phone: (612) 890-3452.

(b) *Approved Courses*:

Abatement Worker Annual Review  
(Certified 10/22/89).

Contractor/Supervisor Annual Review  
(Certified 10/22/89).

(xi)(a) *Training Provider*: Midwest  
Asbestos Consultants, Inc.

Address: 219 23rd St. North, Box 1708,  
Fargo, ND 58107, Contact: Jerry Day,  
Phone: (701) 280-2286.

(b) *Approved Courses*:

Abatement Worker (Certified 4/25/90).

Abatement Worker Annual Review  
(Certified 4/25/90).

(xii)(a) *Training Provider*: Midwest  
Center for Occupational Health &  
Safety.

Address: 640 Jackson St., St. Paul, MN  
55101, Contact: Jim Viskocil, Phone:  
(612) 221-3992.

(b) *Approved Courses*:

Abatement Worker (Certified 1/22/90).

Abatement Worker Annual Review  
(Certified 1/22/90).

Contractor/Supervisor (Certified 1/22/90).

Contractor/Supervisor Annual Review  
(Certified 11/14/89).

(xiii)(a) *Training Provider*: Nova  
Environmental Services, Inc.

Address: Suite 400, Hazeltine Gates,  
1107 Hazeltine Blvd., Chaska, MN  
55318, Contact: Karen L. Ballor, Phone:  
(612) 448-9393.

(b) *Approved Courses*:

Abatement Worker (Certified 11/20/89).

Abatement Worker Annual Review  
(Certified 11/20/89).

Contractor/Supervisor (Certified 11/20/  
89).

Contractor/Supervisor Annual Review  
(Certified 11/20/89).

(xiv)(a) *Training Provider*: Southwest  
Technical College.

Address: Continuing Education, SW  
State University, FT 103, Marshall,  
MN 55103, Contact: Peggy Sullivan,  
Phone: (507) 537-7396.

(b) *Approved Courses*:

Abatement Worker (Certified 4/27/89).

Abatement Worker Annual Review  
(Certified 7/24/89).

Contractor/Supervisor (Certified 4/27/  
89).

Contractor/Supervisor Annual Review  
(Certified 7/24/89).

(xv)(a) *Training Provider*: The Brand  
Companies, Inc.

Address: 1420 Renaissance Dr., Park  
Ridge, IL 60068, Contact: Dolores A.  
Lott, Phone: (708) 298-1200.

(b) *Approved Courses*:

Contractor/Supervisor (Certified 5/30/  
90).

Contractor/Supervisor Annual Review  
(Certified 5/30/90).

(xvi)(a) *Training Provider*: Twin City  
Area Carpenter's Joint Apprenticeship  
Committee/United Brotherhood of  
Carpenters & Joiners.

Address: 2203 County Rd. C2, Roseville,  
MN 55113, Contact: Gerald W.  
Setterholm, Phone: (612) 633-8096.

(b) *Approved Courses*:

Abatement Worker (Certified 6/14/89).

Abatement Worker Annual Review  
(Certified 3/19/90).

Contractor/Supervisor (Certified 6/14/  
89).

Contractor/Supervisor Annual Review  
(Certified 3/19/90).

(xvii)(a) *Training Provider*: University  
of North Dakota, Occupational Safety  
and Environmental Health Office.

Address: University Station, Box 8275,  
Grand Forks, ND 58202, Contact: Dale  
P. Patrick, Phone: (701) 777-3341.

(b) *Approved Courses*:

Abatement Worker (Certified 7/5/91).

Abatement Worker Annual Review  
(Certified 7/5/91).

Contractor/Supervisor (Certified 7/5/  
91).

Contractor/Supervisor Annual Review  
(Certified 7/5/91).

#### Mississippi

(17)(a) *State Agency*: Mississippi Dept.  
of Environmental Quality, Office of  
Pollution Control, Address: PO Box  
10385, Jackson, MS 39289-0385, Contact:  
Dwight K. Wylie, Phone: (601) 961-5171.

(b) *Approved Accreditation Program  
Disciplines*:

Abatement Worker (full from 4/9/91).

Contractor/Supervisor (full from 4/9/  
91).

Inspector (full from 4/9/91).

Inspector/Management Planner (full  
from 4/9/91).

Project Designer (full from 4/9/91).

#### Montana

(18)(a) *State Agency*: Department of  
Health & Environmental Sciences,  
Address: Cogswell Building, Helena, MT  
59620, Contact: Adrian C. Howe, Phone:  
(406) 444-3671.

(b) *Approved Accreditation Program  
Disciplines*:

Abatement Worker (full from 5/16/90).

Contractor/Supervisor (full from 5/16/  
90).

Inspector/Management Planner (full  
from 5/16/90).

Project Designer (full from 5/16/90).

(i)(a) *Training Provider*: Bison  
Engineering.

Address: 30 South Ewing, Helena, MT  
59801, Contact: Terry Campbell,  
Phone: (406) 442-5768.

(b) *Approved Courses*:

Abatement Worker (Certified 4/24/90).

Abatement Worker Annual Review  
(Certified 4/24/90).

Contractor/Supervisor (Certified 4/24/  
90).

Contractor/Supervisor Annual Review  
(Certified 4/24/90).

(ii)(a) *Training Provider*: Black Hills  
Special Services Cooperative.

Address: P.O. Box 218, Sturgis, SD 57785,  
Contact: Randy Morris, Phone: (605)  
347-4467.

(b) *Approved Courses*:

Abatement Worker (Certified 8/8/90).

Abatement Worker Annual Review  
(Certified 10/30/90).

Contractor/Supervisor (Certified 10/5/  
90).

Contractor/Supervisor Annual Review  
(Certified 10/30/90).

(iii)(a) *Training Provider*: Brand  
Companies, Inc.

Address: 1420 Renaissance Dr., Park  
Ridge, IL 60068, Contact: Frank Barta,  
Phone: (708) 298-1200.

(b) *Approved Course*:

Abatement Worker (Certified 1/19/90).

(iv)(a) *Training Provider*: Chen-  
Northern, Inc.

Address: 600 South 25th St., Billings, MT  
59107, Contact: Kathy Smit, Phone:  
(406) 248-9161.

(b) *Approved Courses*:

Abatement Worker (Certified 1/24/90).

Abatement Worker Annual Review  
(Certified 2/5/90).

Contractor/Supervisor (Certified 1/24/  
90).

Contractor/Supervisor Annual Review  
(Certified 2/5/90).

(v)(a) *Training Provider*: Georgia Tech  
Research Institute.

Address: Georgia Institute of  
Technology, Atlanta, GA 30302,  
Contact: Margaret Ojala, Phone: (404)  
894-8078.

(b) *Approved Courses*:

Contractor/Supervisor (Certified 10/5/  
90).

Contractor/Supervisor Annual Review  
(Certified 10/5/90).

(vi)(a) *Training Provider*: Hall-  
Kimbrell.

Address: 3333 Quebec St., Suite 4060,  
Denver, CO 80207, Contact: Perry  
Ford, Phone: (800) 346-2860.

(b) *Approved Courses*:

Abatement Worker (Certified 4/24/90).

Abatement Worker Annual Review  
(Certified 4/24/90).

Contractor/Supervisor (Certified 4/24/  
90).

Contractor/Supervisor Annual Review  
(Certified 4/24/90).

Inspector/Management Planner  
(Certified 10/1/90).

Inspector/Management Planner Annual  
Review (Certified 2/21/90).

Project Designer (Certified 4/26/90).

Project Designer Annual Review  
(Certified 2/21/90).

(vii)(a) *Training Provider*: Laborer's  
AGC, Training Program of Montana.

Address: 3100 Horseshoe Bend Rd.,  
Helena, MT 59601, Contact: Dan  
Holland, Phone: (406) 442-9964.

(b) *Approved Courses*:

Abatement Worker (Certified 1/17/90).

Abatement Worker Annual Review  
(Certified 1/17/90).

(viii)(a) *Training Provider*: Montana  
State Council of Carpenters.

Address: P.O. Box 821, Helena, MT  
59624, Contact: Bruce Morris, Phone:  
(406) 442-5256.

(b) *Approved Courses*:

Abatement Worker (Certified 3/1/90).

Abatement Worker Annual Review  
(Certified 3/1/90).

(ix)(a) *Training Provider*: Rocky Mountain Center.  
Address: University of Utah, Bldg. 512, Salt Lake City, UT 84112, Contact: David Wallace, Phone: (801) 581-5710.

(b) *Approved Courses*:  
Contractor/Supervisor (Certified 6/19/90).  
Contractor/Supervisor Annual Review (Certified 6/27/90).  
Inspector/Management Planner (Certified 7/27/90).  
Inspector/Management Planner Annual Review (Certified 7/27/90).

#### Nebraska

(19)(a) *State Agency*: Department of Health Division of Asbestos Control, Address: 301 Centennial Mall South, P.O. Box 95007, Lincoln, NE 68509-5007, Contact: Jacqueline M. Fiedler, Phone: (402) 471-2541.

(b) *Approved Accreditation Program Disciplines*:

Abatement Worker (full from 5/9/89).  
Contractor/Supervisor (full from 5/9/89).

Inspector (full from 5/9/89).  
Inspector/Management Planner (full from 5/9/89).

Project Designer (full from 5/9/89).

(i)(a) *Training Provider*: Environmental Salvage, Ltd.

Address: 4930 South 23rd St., Omaha, NE 68107, Contact: William Pendgraft, Phone: (402) 733-2595.

(b) *Approved Courses*:

Abatement Worker (Certified 3/14/89).  
Abatement Worker Annual Review (Certified 8/3/89).

Contractor/Supervisor (Certified 3/14/89).

Contractor/Supervisor Annual Review (Certified 8/3/89).

(ii)(a) *Training Provider*: GSR Enterprises, Inc.

Address: 2916 N 36 St., P.O. Box 4485, Lincoln, NE 68504, Contact: Gregg Ridgeway, Phone: (402) 467-5781.

(b) *Approved Course*:

Abatement Worker (Certified 5/10/91).

(iii)(a) *Training Provider*: Institute for Environmental Assessment.

Address: 433 Jackson St., Anoka, MN 55303, Contact: Jesse Lee, Phone: (800) 233-9513.

(b) *Approved Course*:

Contractor/Supervisor Annual Review (Certified 12/19/89).

(iv)(a) *Training Provider*: Insulators & Asbestos Workers Midwest States Health & Training Council.

Address: Route 2, Wahoo, NE 68066, Contact: Ray Richmond, Phone: (402) 443-4810.

(b) *Approved Courses*:  
Abatement Worker (Certified 5/22/89).  
Abatement Worker Annual Review (Certified 4/12/90).

Contractor/Supervisor (Certified 5/22/89).

Contractor/Supervisor Annual Review (Certified 11/27/89).

(v)(a) *Training Provider*: National Asbestos Council.

Address: 1777 Northeast Expressway, Suite 150, Atlanta, GA 30329, Contact: Tina Smith, Phone: (404) 633-2622.

(b) *Approved Courses*:

Abatement Worker (Certified 1/31/90).  
Abatement Worker Annual Review (Certified 12/15/89).

(vi)(a) *Training Provider*: Roth Asbestos & Environmental Consultants, Inc.

Address: 1900 West 47 Pl., Westwood, KS 66205, Contact: Donald J. Welsh, Phone: (800) 279-7220.

(b) *Approved Course*:

Project Designer Annual Review (Certified 1/16/91).

(vii)(a) *Training Provider*: Safety and Health Council of Greater Omaha.

Address: 8710 F St., Omaha, NE 68127, Contact: Kay Farrell, Phone: (402) 592-9004.

(b) *Approved Courses*:

Abatement Worker Annual Review (Certified 10/12/90).

Contractor/Supervisor Annual Review (Certified 10/16/90).

#### New Jersey

(20)(a) *State Agency*: State of New Jersey Dept. of Health, Address: CN 360, Trenton, NJ 08625-0360, Contact: James A. Brownlee, Phone: (609) 984-2193.

(b) *Approved Accreditation Program Disciplines*:

Abatement Worker (full from 6/18/85).  
Contractor/Supervisor (full from 6/18/85).

(i)(a) *Training Provider*: A & S Training School, Inc.

Address: 99 South Cameron St., Harrisburg, PA 17101, Contact: Darla Shadle or Robyn Brunson, Phone: (717) 257-1360.

(b) *Approved Courses*:

Abatement Worker (Certified 5/20/85).  
Abatement Worker Annual Review (Certified 2/6/91).

Contractor/Supervisor (Certified 5/20/85).

Contractor/Supervisor Annual Review (Certified 2/6/91).

(ii)(a) *Training Provider*: Alternative Ways, Inc.

Address: 100 Essex Ave., Bellmawr, NJ 08031, Contact: Peggy Wolf or John Luxford, Phone: (609) 933-3300.

(b) *Approved Courses*:

Abatement Worker (Certified 4/25/85).  
Abatement Worker Annual Review (Certified 3/15/90).

Contractor/Supervisor (Certified 4/25/85).

Contractor/Supervisor Annual Review (Certified 3/15/90).

(iii)(a) *Training Provider*: Asbestos Abatement Council, AWCI.

Address: 1600 Cameron St., Alexandria, VA 22314-2705, Contact: Carol Pacquin, Phone: (703) 684-2924.

(b) *Approved Courses*:

Abatement Worker (Certified 6/17/87 to 9/28/89 only).

Contractor/Supervisor (Certified 6/17/87 to 9/28/89 only).

(iv)(a) *Training Provider*: Asbestos Training Academy, Inc. - NJ.

Address: 218 Cooper Center, Pennsauken, NJ 08109, Contact: Joseph Bower, Phone: (609) 488-9200.

(b) *Approved Courses*:

Abatement Worker (Certified 5/1/85).  
Abatement Worker Annual Review (Certified 6/6/90).

Contractor/Supervisor (Certified 5/1/85).

Contractor/Supervisor Annual Review (Certified 6/6/90).

(v)(a) *Training Provider*: Asbestos Training Academy, Inc. - NY.

Address: 315 West 36th St., 9th Fl., New York, NY 10018, Contact: Richard Green or Charlotte Hicks, Phone: (212) 971-0370.

(b) *Approved Courses*:

Abatement Worker (Certified 9/20/88 to 9/19/90 only).

Contractor/Supervisor (Certified 9/20/88 to 9/19/90 only).

(vi)(a) *Training Provider*: Asbestos Training Institute, Inc.

Address: 47 West 13th St., 2nd Floor, New York, NY 10011, Contact: Jean Bodman or Ron Rominski, Phone: (212) 206-7019.

(b) *Approved Courses*:

Abatement Worker (Certified 3/4/87).  
Abatement Worker Annual Review (Certified 5/30/90).

Contractor/Supervisor (Certified 3/4/87).

Contractor/Supervisor Annual Review (Certified 5/30/90).

(vii)(a) *Training Provider*: BCM Eastern, Inc.

Address: One Plymouth Meeting Mall, Plymouth Meeting, PA 19462, Contact:

R. Ferguson or C. Sterchak, Phone: (215) 825-3800.

(b) *Approved Courses:*

Abatement Worker (Certified 6/7/87 to 12/13/89 only).

Contractor/Supervisor (Certified 6/7/87 to 12/13/89 only).

(viii)(a) *Training Provider:* Building Laborers of N.J. - Training Center.

Address: P.O. Box 163, Jamesburg, NJ 08831, Contact: Emmanuel Riggi or Pat Collura, Phone: (908) 521-0200.

(b) *Approved Courses:*

Abatement Worker (Certified 7/19/85).

Abatement Worker Annual Review (Certified 12/5/89).

Contractor/Supervisor (Certified 7/19/85).

Contractor/Supervisor Annual Review (Certified 12/5/89).

(ix)(a) *Training Provider:* Drexel University, Office of Continuing Education.

Address: 32nd & Chestnut Sts., Philadelphia, PA 19104, Contact: Robert T. Ross or Rita Karmiol, Phone: (215) 895-2156.

(b) *Approved Courses:*

Abatement Worker (Certified 4/13/88).

Abatement Worker Annual Review (Certified 7/13/90).

Contractor/Supervisor (Certified 4/13/88).

Contractor/Supervisor Annual Review (Certified 7/13/90).

(x)(a) *Training Provider:* E.I. DuPont DeNemours & Co.

Address: Chamber Works, Caer Bldg. 5, Deepwater, NJ 08023, Contact: Jeffery Thomason or Jayne Lane, Phone: (609) 540-2918.

(b) *Approved Courses:*

Abatement Worker (Certified 5/1/86).

Abatement Worker Annual Review (Certified 6/12/89).

Contractor/Supervisor (Certified 5/1/86).

Contractor/Supervisor Annual Review (Certified 6/12/89).

(xi)(a) *Training Provider:* EOHHSI/CEI-UMDNJ/CCHE.

Address: 45 Knightsbridge Rd., Piscataway, NJ 08854, Contact: Lee Laustsen or Doris Daneluk, Phone: (908) 463-5062.

(b) *Approved Courses:*

Abatement Worker (Certified 7/1/86).

Abatement Worker Annual Review (Certified 1/17/90).

Contractor/Supervisor (Certified 7/1/86).

Contractor/Supervisor Annual Review (Certified 1/17/90).

(xii)(a) *Training Provider:* Hazard Management Division of Curtin Management Consultants, Inc.

Address: 200 Smith St., P.O. Box 402, Suite No. 3, Keasbey, NJ 08832, Contact: Daniel Curtin or Lori Abrams, Phone: (908) 738-9700.

(b) *Approved Courses:*

Abatement Worker (Certified 6/3/87).  
Contractor/Supervisor (Certified 6/3/87).

(xiii)(a) *Training Provider:* Hunter College Asbestos Training Center.

Address: c/o Carpenters Union-No. 455, 1931 Route 22 West, Bound Brook, NJ 08805-1519, Contact: Jack Caravanos or Joseph Marino, Phone: (908) 526-1116.

(b) *Approved Courses:*

Abatement Worker (Certified 5/23/85).

Contractor/Supervisor (Certified 5/23/85).

(xiv)(a) *Training Provider:* IT Corporation.

Address: 17461 Derian Ave., Suite 190, Irvine, CA 92714, Contact: Keith Soesbe, Phone: (714) 261-6441.

(b) *Approved Courses:*

Abatement Worker (Certified 8/29/85 to 9/13/90 only).

Contractor/Supervisor (Certified 8/29/85 to 9/13/90 only).

(xv)(a) *Training Provider:* Kaselaan & D'Angelo Associates - NJ.

Address: 515 Grove St., Haddon Heights, NJ 08035, Contact: Thomas Case or Patricia Cancglin, Phone: (609) 547-6500.

(b) *Approved Courses:*

Abatement Worker (Certified 5/8/85).

Abatement Worker Annual Review (Certified 12/5/89).

Contractor/Supervisor (Certified 5/8/85).

Contractor/Supervisor Annual Review (Certified 12/5/89).

(xvi)(a) *Training Provider:* Kaselaan & D'Angelo Associates - NY.

Address: 220 5th Ave., 17th Floor, New York, NY 10001, Contact: Lance Fredericks, Phone: (212) 216-6340.

(b) *Approved Courses:*

Abatement Worker (Certified 8/28/89).

Contractor/Supervisor (Certified 8/28/89).

(xvii)(a) *Training Provider:* Local Union No. 14.

Address: 6513 Bustleton Ave., Philadelphia, PA 19149, Contact: James Aikens or Lewis Fitzgerald, Phone: (215) 533-0395.

(b) *Approved Courses:*

Abatement Worker (Certified 8/9/85).

Abatement Worker Annual Review (Certified 11/1/89).

Contractor/Supervisor (Certified 8/9/85).

Contractor/Supervisor Annual Review (Certified 11/1/89).

(xviii)(a) *Training Provider:* Local Union No. 32.

Address: 870 Broadway, Newark, NJ 07104, Contact: Paul Ielmini or John Dwyer, Phone: (201) 485-3626.

(b) *Approved Courses:*

Abatement Worker (Certified 5/8/87).

Abatement Worker Annual Review (Certified 8/14/89).

Contractor/Supervisor (Certified 5/8/87).

Contractor/Supervisor Annual Review (Certified 8/14/89).

(xix)(a) *Training Provider:* Local Union No. 42.

Address: 1188 River Rd., New Castle, DE 19720, Contact: Joseph Noble, Phone: (302) 328-4203.

(b) *Approved Courses:*

Abatement Worker (Certified 10/30/85).

Abatement Worker Annual Review (Certified 8/23/90).

Contractor/Supervisor (Certified 10/30/85).

Contractor/Supervisor Annual Review (Certified 8/23/90).

(xx)(a) *Training Provider:* Local Union No. 89.

Address: 2733 Nottingham Way, Trenton, NJ 08619, Contact: Charles DaBronzo or John DaBronzo, Phone: (609) 587-0092.

(b) *Approved Courses:*

Abatement Worker (Certified 5/13/86).

Abatement Worker Annual Review (Certified 11/27/89).

Contractor/Supervisor (Certified 5/13/86).

Contractor/Supervisor Annual Review (Certified 11/27/89).

(xxi)(a) *Training Provider:* National Asbestos & Environmental Training Institute.

Address: 1776 Bloomsbury Ave., Ocean, NJ 07712, Contact: Doris Adler or Lisa Criscuolo, Phone: (908) 918-0610.

(b) *Approved Courses:*

Abatement Worker (Certified 5/3/85).

Abatement Worker Annual Review (Certified 8/14/89).

Contractor/Supervisor (Certified 5/3/85).

Contractor/Supervisor Annual Review (Certified 8/14/89).

(xxii)(a) *Training Provider:* National Asbestos Council Training Dept.

Address: 1777 Northeast Expressway, Suite 150, Atlanta, GA 30329, Contact: Raymond McQueen, Phone: (404) 633-2622.

(b) *Approved Courses:*

Abatement Worker (Certified 1/13/87 to 10/3/90 only).  
 Contractor/Supervisor (Certified 1/13/87 to 10/3/90 only).  
 (xxiii)(a) *Training Provider*: National Institute on Abatement Sciences and Technology.  
 Address: 114 West State St., P.O. Box 1780, Trenton, NJ 08607, Contact: Glenn Phillips, Phone: (800) 422-2836.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 1/16/88 to 10/24/89 only).  
 Contractor/Supervisor (Certified 1/16/88 to 10/24/89 only).  
 (xxiv)(a) *Training Provider*: National Training Fund/Workers Institute for Safety & Health (WISH).  
 Address: 1126 16th St., NW., Washington, DC 20036, Contact: Scott Schneider or Matthew Gillen, Phone: (202) 887-1980.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 3/31/89).  
 Contractor/Supervisor (Certified 3/31/89).  
 (xxv)(a) *Training Provider*: Northeastern Analytical Corporation.  
 Address: 4 Stow Rd., Marlton, NJ 08053, Contact: R. Holwitt or M. Dutkiewicz, Phone: (609) 985-8000.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 5/20/85).  
 Abatement Worker Annual Review (Certified 6/30/89).  
 Contractor/Supervisor (Certified 5/20/85).  
 Contractor/Supervisor Annual Review (Certified 6/30/89).  
 (xxvi)(a) *Training Provider*: PMA, Inc.  
 Address: 7050 Kaighn Ave., Pennsauken, NJ 08109, Contact: J. Rodney Walton or John O'Brien, Phone: (609) 663-5042.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 9/13/86).  
 Contractor/Supervisor (Certified 9/13/86).  
 (xxvii)(a) *Training Provider*: Princeton Testing Laboratory.  
 Address: 3490 U.S. Rte. 1, Princeton, NJ 08540-3108, Contact: Charles Schneekloth, Phone: (609) 452-9050.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 5/8/85).  
 Abatement Worker Annual Review (Certified 6/14/89).  
 Contractor/Supervisor (Certified 5/8/85).  
 Contractor/Supervisor Annual Review (Certified 6/14/89).  
 (xxviii)(a) *Training Provider*: Temple University Asbestos Center.  
 Address: CECSA, 12th & Norris St., Philadelphia, PA 19122, Contact:

Melvin Benarde or Diane Dymski, Phone: (215) 787-8546.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 11/24/87).  
 Abatement Worker Annual Review (Certified 10/25/90).  
 Contractor/Supervisor (Certified 11/24/87).  
 Contractor/Supervisor Annual Review (Certified 10/25/90).  
 (xxix)(a) *Training Provider*: White Lung Association - NY.  
 Address: 12 Warren St., 4th Floor, New York, NY 10007, Contact: Nelson Helu or Barbara Zeluck, Phone: (212) 619-2270.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 9/21/88 to 12/21/89 only).  
 Contractor/Supervisor (Certified 9/28/88 to 12/21/89 only).  
 (xxx)(a) *Training Provider*: White Lung Association of NJ.  
 Address: 901 Broad St., 2nd Floor, Newark, NJ 07102, Contact: Myles O'Malley or Gregory Camacho, Phone: (201) 824-2623.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 5/21/85).  
 Abatement Worker Annual Review (Certified 10/25/90).  
 Contractor/Supervisor (Certified 5/21/85).  
 Contractor/Supervisor Annual Review (Certified 10/25/90).

**New York**

(21)(a) *State Agency*: Department of Health, Address: Asbestos Safety Training Program, Bureau of Occupational Health, II University Place, Room 312, Albany, NY 12203-3313, Contact: George R. Estel, Phone: (518) 458-6483.  
 (b) *Approved Accreditation Program Disciplines*:  
 Abatement Worker (full from 12/19/90).  
 Contractor/Supervisor (full from 12/19/90).  
 Inspector (full from 12/19/90).  
 Inspector/Management Planner (full from 12/19/90).  
 Project Designer (full from 12/19/90).  
 (i)(a) *Training Provider*: ATC Environmental, Inc.  
 Address: 104 East 25th Street, New York, NY 10010, Contact: David Chambers, Phone: (212) 353-8280.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 3/15/89).  
 Abatement Worker Annual Review (Certified 4/1/91).  
 Inspector (Certified 2/20/90).  
 (ii)(a) *Training Provider*: Abatement Safety Training Institute.

Address: 323 West 39th Street, New York, NY 10018, Contact: Preeti Belur, Phone: (212) 629-8400.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 7/12/88).  
 Abatement Worker Annual Review (Certified 3/28/91).  
 Contractor/Supervisor (Certified 4/16/91).  
 Inspector/Management Planner (Certified 5/13/91).  
 Inspector/Management Planner Annual Review (Certified 5/31/91).  
 (iii)(a) *Training Provider*: Adelaide Environmental Health Associates.  
 Address: 61 Front Street, Binghamton, NY 13905-4705, Contact: William Carter, Phone: (607) 722-6839.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 6/20/88).  
 (iv)(a) *Training Provider*: Advanced Analytical Laboratories, Inc.  
 Address: 30th and North Church Streets, Hazelton, PA 18201, Contact: Zim Lawhon, Phone: (717) 455-5115.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 3/16/88).  
 (v)(a) *Training Provider*: Aerosol Monitoring and Analysis.  
 Address: 1341 Ashton Rd., Suite A, Hanover, MD 21076, Contact: Steven Blizzard, Phone: (301) 684-3327.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 12/6/88).  
 (vi)(a) *Training Provider*: Alice Hamilton Occupational Health Center.  
 Address: 410 Seventh Street SE., Washington, DC 20003-2756, Contact: Brian Christopher, Phone: (202) 543-0005.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 5/3/89).  
 (vii)(a) *Training Provider*: Alleghany Council for Occupational Health.  
 Address: 100 East Second St., Suite 3, Jamestown, NY 14701, Contact: Linda Berlin, Phone: (716) 488-0720.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 7/17/89).  
 (viii)(a) *Training Provider*: Allwash of Syracuse, Inc.  
 Address: P.O. Box 605, Syracuse, NY 13201, Contact: Ron Roy, Phone: (315) 454-4476.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 9/1/87).  
 Abatement Worker Annual Review (Certified 1/14/91).  
 Contractor/Supervisor (Certified 1/23/91).  
 Contractor/Supervisor Annual Review (Certified 2/14/91).

(ix)(a) *Training Provider:* Alternative Ways, Inc.

Address: 100 Essex Avenue, Bellmawr, NJ 08031, Contact: Donna Weiss, Phone: (609) 933-3300.

(b) *Approved Course:*

Abatement Worker (Certified 2/25/88).

(x)(a) *Training Provider:* American Environmental Institute.

Address: 20220 Center Ridge Road, Cleveland, OH 44116, Contact: Gary Block, Phone: (216) 333-6225.

(b) *Approved Course:*

Abatement Worker (Certified 8/25/88).

(xi)(a) *Training Provider:* Analytical Laboratories of Albany, Inc.

Address: 4-A Vatrano Rd., Albany, NY 12205, Contact: Timothy Carroll, Phone: (518) 459-0885.

(b) *Approved Courses:*

Abatement Worker (Certified 3/5/91).

Abatement Worker Annual Review (Certified 3/6/91).

Contractor/Supervisor (Certified 3/5/91).

Contractor/Supervisor Annual Review (Certified 3/6/91).

(xii)(a) *Training Provider:* Anderson International.

Address: Rd No.2 North Main Street Extension, Jamestown, NY 14701, Contact: Sally Gould, Phone: (716) 664-4028.

(b) *Approved Courses:*

Abatement Worker (Certified 4/5/89).

Abatement Worker Annual Review (Certified 5/9/91).

Contractor/Supervisor (Certified 6/3/91).

Contractor/Supervisor Annual Review (Certified 6/3/91).

Inspector/Management Planner (Certified 6/3/91).

Inspector/Management Planner Annual Review (Certified 6/3/91).

(xiii)(a) *Training Provider:* Applied Respiratory Technology.

Address: P.O. Box 399, Hughsonville, NY 12537-0399, Contact: Charles Mayo, Phone: (914) 265-4330.

(b) *Approved Courses:*

Abatement Worker (Certified 2/9/89).

Abatement Worker Annual Review (Certified 3/7/91).

Contractor/Supervisor (Certified 2/1/91).

Contractor/Supervisor Annual Review (Certified 3/7/91).

Inspector (Certified 4/30/91).

(xiv)(a) *Training Provider:* Asbestos Control Management, Inc.

Address: 128 South Third Street, Olean, NY 14760, Contact: Clar D. Anderson, Phone: (716) 372-6393.

(b) *Approved Courses:*

Abatement Worker (Certified 6/16/89).

Abatement Worker Annual Review (Certified 3/4/91).

Contractor/Supervisor (Certified 5/24/91).

Contractor/Supervisor Annual Review (Certified 5/24/91).

(xv)(a) *Training Provider:* Asbestos Technical Services.

Address: Dogwood Road, Peekskill, NY 10566, Contact: Kenneth Strusz, Phone: (914) 739-7146.

(b) *Approved Course:*

Abatement Worker (Certified 6/30/88).

(xvi)(a) *Training Provider:* Asbestos Training Institute.

Address: 47 West 13th Street, 2nd Floor, New York, NY 10011, Contact: Jean Bodman, Phone: (212) 206-7019.

(b) *Approved Courses:*

Abatement Worker (Certified 2/1/87).

Abatement Worker Annual Review (Certified 3/26/91).

Contractor/Supervisor (Certified 5/9/91).

Contractor/Supervisor Annual Review (Certified 5/9/91).

Inspector (Certified 9/19/90).

(xvii)(a) *Training Provider:* Asteco, Inc.

Address: 4287 Witmer Road, Niagara Falls, NY 14105, Contact: David Root, Phone: (716) 297-5981.

(b) *Approved Course:*

Abatement Worker (Certified 2/25/88).

(xviii)(a) *Training Provider:* Astoria Industries.

Address: 538 Stewart Avenue, Brooklyn, NY 11222, Contact: J. Gajeski, Phone: (718) 387-0011.

(b) *Approved Courses:*

Abatement Worker (Certified 5/1/87).

Abatement Worker Annual Review (Certified 3/26/91).

(xix)(a) *Training Provider:* BOCES 2 - Suffolk County.

Address: 375 Locust Ave., Oakdale, NY 11789, Contact: Louise Baxter, Phone: (516) 563-2954.

(b) *Approved Courses:*

Abatement Worker (Certified 3/29/89).

Abatement Worker Annual Review (Certified 5/2/91).

(xx)(a) *Training Provider:* BOCES III - Suffolk County.

Address: 17 Westminster Ave, Dix Hills, NY 11746, Contact: George Flemming, Phone: (516) 667-6000.

(b) *Approved Courses:*

Abatement Worker (Certified 1/4/88).

Abatement Worker Annual Review (Certified 6/4/91).

(xxi)(a) *Training Provider:* Biospherics, Inc.

Address: 12051 Indian Creek Court, Beltsville, MD 20705, Contact: Joyce Eger, Phone: (301) 369-3900.

(b) *Approved Course:*

Abatement Worker (Certified 9/1/87).

(xxii)(a) *Training Provider:* Buffalo Laborers Training Fund No. 210.

Address: 1370 Seneca St., Buffalo, NY 14210, Contact: Victor Sansanese, Phone: (716) 825-0883.

(b) *Approved Courses:*

Abatement Worker (Certified 3/7/88).

Abatement Worker Annual Review (Certified 3/4/91).

(xxiii)(a) *Training Provider:* Building Laborers of NJ - Training and Education Trust Fund.

Address: 31 Mott Ave., P.O. Box 553, Jamesburg, NJ 08831, Contact: Emanuel Riggi, Phone: (201) 521-0200.

(b) *Approved Course:*

Abatement Worker (Certified 1/1/86).

(xxiv)(a) *Training Provider:* CA Rich Consultants, Inc.

Address: 404 Glen Cove Ave., Sea Cliff, NY 15799, Contact: Bruce Beck, Phone: (516) 674-3889.

(b) *Approved Course:*

Abatement Worker (Certified 6/5/90).

(xxv)(a) *Training Provider:* Calibrations, Inc.

Address: 802 Watervliet-Shaker Rd., Latham, NY 12110, Contact: James Percent, Phone: (518) 786-1865.

(b) *Approved Courses:*

Abatement Worker (Certified 3/7/88 to 4/12/91 only).

Inspector (Certified 8/13/90 to 4/12/91 only).

(xxvi)(a) *Training Provider:* Camtech, Inc.

Address: 4550 McKnight Rd., Suite 202, Pittsburgh, PA 15237, Contact: Leslie Connors, Phone: (412) 931-1210.

(b) *Approved Course:*

Abatement Worker (Certified 5/18/90).

(xxvii)(a) *Training Provider:* Cayuga Onondaga BOCES.

Address: 234 South Street Rd., Auburn, NY 13021, Contact: Peter Pirnie, Phone: (315) 253-0361.

(b) *Approved Courses:*

Abatement Worker (Certified 3/21/88).

Abatement Worker Annual Review (Certified 4/1/91).

Contractor/Supervisor (Certified 4/1/91).

Contractor/Supervisor Annual Review (Certified 4/1/91).

Inspector/Management Planner (Certified 4/1/91).

Inspector/Management Planner Annual Review (Certified 4/1/91).

(xxviii)(a) *Training Provider:* Center for Environmental & Occupational Training, Inc.

Address: 814 East Pittsburgh Plaza, East Pittsburgh, PA 15112, Contact: Joseph Hughes, Phone: (412) 823-1002.

(b) *Approved Course:*

Abatement Worker (Certified 1/11/90).

(xxix)(a) *Training Provider:* Certified Engineering & Testing Co., Inc.

Address: 25 Mathewson Dr., Weymouth, MA 02189, Contact: Robert Thornburgh, Phone: (617) 337-7887.

(b) *Approved Course:*

Abatement Worker (Certified 8/28/88).

(xxx)(a) *Training Provider:*

Comprehensive Analytical Group, Inc.

Address: 147 Midler Park Dr., Syracuse, NY 13206, Contact: David Serino, Phone: (315) 432-0855.

(b) *Approved Courses:*

Abatement Worker (Certified 10/28/88).

Abatement Worker Annual Review (Certified 5/30/91).

Contractor/Supervisor (Certified 2/1/91).

Contractor/Supervisor Annual Review (Certified 5/30/91).

(xxxi)(a) *Training Provider:* Con-Test.

Address: 39 Spruce St., P.O. Box 591, East Longmeadow, MA 01028, Contact: Brenda Bolduc, Phone: (413) 525-1198.

(b) *Approved Courses:*

Abatement Worker (Certified 9/1/86).

Abatement Worker Annual Review (Certified 4/17/91).

Contractor/Supervisor (Certified 4/17/91).

Contractor/Supervisor Annual Review (Certified 4/17/91).

(xxxii)(a) *Training Provider:* Corning, Inc.

Address: Corporate Safety & Health, HP C-2-10, Corning, NY 14831, Contact: Ron Kitson, Phone: (607) 974-8638.

(b) *Approved Course:*

Abatement Worker (Certified 1/19/88).

(xxxiii)(a) *Training Provider:* D/E3, Inc.

Address: 19701 South Miles Parkway, N-12, Warrensville, OH 44128, Contact: Harold Danto, Phone: (216) 663-1200.

(b) *Approved Course:*

Abatement Worker (Certified 7/6/89).

(xxxiv)(a) *Training Provider:* Dennison Environmental, Inc.

Address: 74 Commerce Way, Woburn, MA 01801, Contact: Joan Ryan, Phone: (617) 932-9400.

(b) *Approved Course:*

Abatement Worker (Certified 3/28/88).

(xxxv)(a) *Training Provider:* Dore & Associates Contracting, Inc.

Address: 900 Harry S. Truman Pkwy., Bay City, MI 48707, Contact: Joseph Golsing, Phone: (517) 684-8358.

(b) *Approved Course:*

Abatement Worker (Certified 6/28/88).

(xxvii)(a) *Training Provider:* E.I. DuPont DeNemours & Co., Inc.

Address: Chambers Workers, Petroleum Labs, Deepwater, NJ 08023, Contact: Jeff Thomason, Phone: (609) 540-2918.

(b) *Approved Course:*

Abatement Worker (Certified 6/1/86).

(xxvii)(a) *Training Provider:* Edward O. Watts & Associates.

Address: 1331 N. Forrest Rd., Suite 340, Buffalo, NY 14221, Contact: Edward Watts, Phone: (716) 688-4827.

(b) *Approved Courses:*

Abatement Worker (Certified 12/1/88).

Abatement Worker Annual Review (Certified 1/10/91).

Contractor/Supervisor (Certified 2/4/91).

Contractor/Supervisor Annual Review (Certified 1/10/91).

Inspector (Certified 9/24/90).

Inspector Annual Review (Certified 4/23/91).

(xxviii)(a) *Training Provider:*

Enclosure Technology, Inc.

Address: 861 Manhattan Ave., Suite 14, Brooklyn, NY 11222, Contact: Roland Baronowski, Phone: (718) 349-3235.

(b) *Approved Courses:*

Abatement Worker (Certified 9/5/90).

Abatement Worker Annual Review (Certified 4/2/91).

(xxix)(a) *Training Provider:* Enviro Med Services, Inc.

Address: 25 Science Park, New Haven, CT 06511, Contact: George Giacco, Phone: (203) 786-5580.

(b) *Approved Course:*

Abatement Worker (Certified 10/12/89).

(xl)(a) *Training Provider:*

Environmental Safety Institute.

Address: 4225 Millersport Highway, Amherst, NY 14228, Contact: Betty Glovins, Phone: (716) 689-4806.

(b) *Approved Course:*

Abatement Worker (Certified 3/1/88).

(xli)(a) *Training Provider:*

Environmental Training Corporation.

Address: 100 Moody St., Ludlow, MA 01056, Contact: Anne Folta, Phone: (413) 589-1882.

(b) *Approved Course:*

Abatement Worker (Certified 6/20/89).

(xlii)(a) *Training Provider:*

Environmental Training Inc.

Address: 65 Barclay Center Rte. 70, Suite 305, Cherryhill, NJ 08034, Contact: Gary Hyrne, Phone: (215) 521-5469.

(b) *Approved Course:*

Abatement Worker (Certified 12/8/89).

(xlili)(a) *Training Provider:* Environmental Training Services.

Address: 62 H Montvale Ave., Stoneham, MA 02180, Contact: Kenneth Martin, Phone: (617) 279-0855.

(b) *Approved Course:*

Abatement Worker (Certified 1/1/87).

(xliv)(a) *Training Provider:* Envotech Center for Vocational Training.

Address: 1225 Ridgeway Ave., Rochester, NY 14615, Contact: Mario DiNottia, Phone: (716) 458-8700.

(b) *Approved Courses:*

Abatement Worker (Certified 11/8/90).

Abatement Worker Annual Review (Certified 2/13/91).

Contractor/Supervisor (Certified 3/5/91).

Contractor/Supervisor Annual Review (Certified 3/5/91).

(xlv)(a) *Training Provider:* Failsafe Risk Management Alternatives, Inc.

Address: 1670 Western Ave., Albany, NY 12203, Contact: James Thomson, Phone: (518) 452-4360.

(b) *Approved Courses:*

Abatement Worker (Certified 4/25/90).

Abatement Worker Annual Review (Certified 4/22/91).

Inspector/Management Planner (Certified 4/22/91).

Inspector/Management Planner Annual Review (Certified 4/22/91).

(xlvi)(a) *Training Provider:* Fostock Corporation.

Address: 392 Fifth Ave., Paterson, NJ 07514, Contact: Anna Ghassibi, Phone: (201) 345-0040.

(b) *Approved Course:*

Abatement Worker (Certified 6/19/90).

(xlvii)(a) *Training Provider:* Foxfire, Inc.

Address: 229 Lark St., Albany, NY 12210, Contact: Frank McKeon, Phone: (518) 427-1568.

(b) *Approved Courses:*

Abatement Worker (Certified 4/19/91).

Abatement Worker Annual Review (Certified 4/19/91).

(xlviii)(a) *Training Provider:* Future Environmental Designs, Inc.

Address: 114 Old Country Rd., Suite 620, Mineola, NY 11501, Contact: Michael Marcik, Phone: (516) 742-2557.

(b) *Approved Courses:*

Abatement Worker (Certified 8/21/90).

Abatement Worker Annual Review (Certified 3/4/91).

Contractor/Supervisor (Certified 2/20/91).



Contractor/Supervisor Annual Review (Certified 3/4/91).  
 Inspector/Management Planner (Certified 2/20/91).  
 Inspector/Management Planner Annual Review (Certified 2/20/91).  
 (xlix)(a) *Training Provider*: G.S.T. Company.  
 Address: 50 Progress Ave., Zelienople, PA 16063, Contact: Norma Stanford, Phone: (412) 772-7488.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 10/4/88).  
 (li)(a) *Training Provider*: General Building Laborers Local No. 66.  
 Address: 286 Middle Island Rd., Medford, NY 11763, Contact: Peter Purazzella, Phone: (516) 696-2280.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 10/4/88).  
 Abatement Worker Annual Review (Certified 3/7/91).  
 (lii)(a) *Training Provider*: General Physics Corporation.  
 Address: 6700 Alexander Bell Dr., Columbia, MD 21046-2100, Contact: Andrew Marsh, Phone: (301) 290-2300.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 6/15/88).  
 (lii)(a) *Training Provider*: Geo-Environmental Company, Inc.  
 Address: P.O. Box 274, Yonkers, NY 10710, Contact: Carol Califano, Phone: (914) 375-1554.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 4/12/90).  
 Abatement Worker Annual Review (Certified 3/22/91).  
 (liii)(a) *Training Provider*: Georgia Institute of Technology.  
 Address: O'Keefe Bldg., ESTD Room 027, Atlanta, GA 30332, Contact: Margaret Ojala, Phone: (404) 894-3806.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 5/11/87).  
 (liv)(a) *Training Provider*: Health/Safety/Risk Management - Albany Schoharie Schenectady BOCES.  
 Address: 47 Cornell Rd., Latham, NY 12110, Contact: Charlene Vespi, Phone: (518) 786-3211.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 8/30/89).  
 Abatement Worker Annual Review (Certified 4/22/91).  
 Contractor/Supervisor (Certified 5/23/91).  
 Contractor/Supervisor Annual Review (Certified 5/23/91).  
 Inspector/Management Planner (Certified 4/22/91).  
 Inspector/Management Planner Annual Review (Certified 4/22/91).  
 (lv)(a) *Training Provider*: Hillman Technical Services.

Address: 1089 Cedar Ave., Suite 2, Union, NJ 07083, Contact: Steven Gladstone, Phone: (201) 686-3461.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 3/3/90).  
 (lvi)(a) *Training Provider*: Hudson Asbestos Training Institute.  
 Address: 604 Manhattan Ave., Brooklyn, NY 11222, Contact: Ann Sumiec, Phone: (718) 383-2656.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 4/30/90 to 3/20/91 only).  
 (lvii)(a) *Training Provider*: Hunter College Asbestos Training Center.  
 Address: 425 East 25th St., New York, NY 10010, Contact: Jacquenette Locker, Phone: (212) 481-7569.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 1/1/87).  
 (lviii)(a) *Training Provider*: Hygeia Research & Training.  
 Address: P.O. Box 4506, Utica, NY 13501, Contact: Richard Gigliotti, Phone: (315) 732-8567.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 3/7/88).  
 Abatement Worker Annual Review (Certified 4/3/91).  
 Contractor/Supervisor (Certified 1/28/91).  
 Contractor/Supervisor Annual Review (Certified 4/3/91).  
 (lix)(a) *Training Provider*: Hygeia, Inc.  
 Address: 303 Bear Hill Rd., Waltham, MA 02154, Contact: David Kaplan, Phone: (617) 890-4999.  
 (b) *Approved Course*:  
 Inspector (Certified 5/18/90).  
 (lx)(a) *Training Provider*: Hygienetics, Inc.  
 Address: 150 Causeway St., Boston, MA 02114, Contact: MaryBeth Carver, Phone: (617) 723-4664.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 6/6/88).  
 Inspector (Certified 9/27/90).  
 (lxi)(a) *Training Provider*: Institute for Environmental Education.  
 Address: 500 West Cummings Park, Suite 3650, Woburn, MA 01801, Contact: Starla Engelhardt, Phone: (617) 935-7370.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 8/1/88).  
 Inspector (Certified 8/21/90).  
 (lxii)(a) *Training Provider*: Institute of Asbestos Technology.  
 Address: 5900 Butternut Dr., East Syracuse, NY 13057, Contact: Charles Kirch, Phone: (315) 437-1307.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 10/24/87).

Abatement Worker Annual Review (Certified 3/27/91).  
 Contractor/Supervisor (Certified 5/1/91).  
 Contractor/Supervisor Annual Review (Certified 5/1/91).  
 (lxiii)(a) *Training Provider*: International Technology Corporation.  
 Address: 17605 Fabrica Way, Cerritos, CA 90701, Contact: Sean Smith, Phone: (213) 921-9931.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 12/30/87).  
 (lxiv)(a) *Training Provider*: Jenkins Professional Inc.  
 Address: 5024 Campbell Blvd, Suite D, Baltimore, MD 21236, Contact: Larry Jenkins, Phone: (301) 931-7588.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 6/1/88).  
 (lxv)(a) *Training Provider*: Joint Apprenticeship & Training Committee.  
 Address: 425 Broad Hollow Rd., Suite 405, Melville, NY 11747, Contact: R. Erickson, Phone: (516) 694-2022.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 11/30/87).  
 (lxvi)(a) *Training Provider*: Kaselaan and D'Angelo Associates, Inc.  
 Address: 220 Fifth Ave., 17th Floor, New York, NY 10001, Contact: Lance Fredricks, Phone: (212) 216-6340.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 4/1/88).  
 Abatement Worker Annual Review (Certified 5/17/91).  
 (lxvii)(a) *Training Provider*: Kemron Environmental Services, Inc.  
 Address: 755 New York Ave., Huntington, NY 11743, Contact: John Peters, Phone: (516) 427-0950.  
 (b) *Approved Course*:  
 Abatement Worker (Certified 10/4/88).  
 (lxviii)(a) *Training Provider*: Korean Asbestos Training Center.  
 Address: 136-15 Roosevelt Ave., 3rd Floor, Flushing, NY 11354, Contact: Tchang Bahrk, Phone: (718) 321-2700.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 1/3/90).  
 Abatement Worker Annual Review (Certified 4/1/91).  
 (lxix)(a) *Training Provider*: Laborer's Local No. 17 Education & Training Fund.  
 Address: 305 C Little Britain Rd., Newburgh, NY 12550, Contact: Victor Mandia, Phone: (914) 562-1121.  
 (b) *Approved Courses*:  
 Abatement Worker (Certified 1/1/87).  
 Abatement Worker Annual Review (Certified 4/10/91).

(lxx)(a) *Training Provider:* Laborer's Local No.214 Training & Education Fund.  
Address: 23 Mitchell St., Oswego, NY 13126, Contact: John Shannon, Phone: (315) 343-8553.

(b) *Approved Course:*

Abatement Worker (Certified 8/17/87).

(lxxi)(a) *Training Provider:* Laborer's Local No.91 Training & Education Fund.  
Address: 2556 Seneca Ave., Niagara Falls, NY 10010, Contact: Joel Cicero, Phone: (716) 297-6001.

(b) *Approved Courses:*

Abatement Worker (Certified 7/27/90).

Abatement Worker Annual Review (Certified 12/19/90).

(lxxii)(a) *Training Provider:* Long Island Lighting Company.

Address: 131 Hoffman Lane, Central Islip, NY 11722, Contact: Michael Cappola, Phone: (516) 436-4076.

(b) *Approved Courses:*

Abatement Worker (Certified 2/20/89).

Abatement Worker Annual Review (Certified 4/3/91).

(lxxiii)(a) *Training Provider:* Lozier Architects & Engineers.

Address: 1050 Pittsford-Victor Rd., Pittsford, NY 14534, Contact: Dyke Coyne, Phone: (716) 381-2210.

(b) *Approved Course:*

Abatement Worker (Certified 1/12/88).

(lxxiv)(a) *Training Provider:* META.

Address: P.O. Box 786, Lawrence, KS 66044, Contact: Katy Nitcher, Phone: (913) 842-6382.

(b) *Approved Course:*

Abatement Worker (Certified 4/3/90).

(lxxv)(a) *Training Provider:* Mid-Atlantic Asbestos Training Center.

Address: Brookwood II, 45 Knightsbridge Rd., Piscataway, NY 08854, Contact: Lee Lausten, Phone: (201) 463-5062.

(b) *Approved Courses:*

Abatement Worker (Certified 7/1/86).

Inspector (Certified 3/30/90).

(lxxvi)(a) *Training Provider:* Monroe Community College.

Address: 1000 East Henrietta Rd., Bailey Center, Rochester, NY 14623-5780, Contact: David Duford, Phone: (716) 292-2000.

(b) *Approved Courses:*

Abatement Worker (Certified 6/1/88).

Abatement Worker Annual Review (Certified 4/5/91).

(lxxvii)(a) *Training Provider:* Mystic Air Quality Consultants, Inc.

Address: 1204 North Rd., Groton, CT 06340, Contact: Christopher Eident, Phone: (203) 449-8903.

(b) *Approved Courses:*

Abatement Worker (Certified 5/2/88).

Contractor/Supervisor (Certified 6/17/91).

(lxxviii)(a) *Training Provider:* NET Atlantic-Syracuse Division.

Address: 5854 Butternut Dr., East Syracuse, NY 13057, Contact: Brian King, Phone: (315) 446-8795.

(b) *Approved Course:*

Abatement Worker (Certified 2/20/91).

(lxxix)(a) *Training Provider:* National Asbestos Training Institute.

Address: 1766 Bloomsbury Ave., Ocean, NJ 07712, Contact: Doris Adler, Phone: (201) 918-0610.

(b) *Approved Courses:*

Abatement Worker (Certified 5/27/85).

Abatement Worker Annual Review (Certified 5/24/91).

Contractor/Supervisor (Certified 5/24/91).

Contractor/Supervisor Annual Review (Certified 5/24/91).

Inspector (Certified 8/6/90).

(lxxx)(a) *Training Provider:* National Training Fund for Sheet Metal & Air Conditioning Industry.

Address: 1126 16th Street NW., Washington, DC 20036, Contact: Matthew Gillen, Phone: (202) 887-1980.

(b) *Approved Course:*

Abatement Worker (Certified 11/1/86).

(lxxxi)(a) *Training Provider:* New England Laborer's Training Fund.

Address: 37 East St., Hopkinton, MA 01748-2699, Contact: James Merloni, Phone: (508) 435-6316.

(b) *Approved Course:*

Abatement Worker (Certified 4/7/86).

(lxxxii)(a) *Training Provider:* New York Committee for Occupational Safety and Health.

Address: 275 Seventh Ave., 25th Floor, New York, NY 10001, Contact: Joel Shufro, Phone: (212) 627-3900.

(b) *Approved Course:*

Abatement Worker (Certified 1/27/88).

(lxxxiii)(a) *Training Provider:* New York District Council of Carpenters Labor Technical College.

Address: 395 Hudson St., Clarkson St. Entrance, New York, NY 10014, Contact: Charles Fanning, Phone: (212) 727-2224.

(b) *Approved Course:*

Abatement Worker (Certified 5/19/89).

(lxxxiv)(a) *Training Provider:* New York State Carpenters Labor Management Committee.

Address: P.O. Box 266, Milford, NY 13807, Contact: Maurice Torruella, Phone: (607) 286-7755.

(b) *Approved Course:*

Abatement Worker (Certified 3/23/89).

(lxxxv)(a) *Training Provider:* New York University School of Continuing Education.

Address: 10 East 38th St., New York, NY 10016, Contact: William Loch, Phone: (212) 545-0077.

(b) *Approved Courses:*

Abatement Worker (Certified 8/7/89).

Inspector/Management Planner (Certified 4/1/91).

Inspector/Management Planner Annual Review (Certified 4/1/91).

Project Designer (Certified 4/15/91).

Project Designer Annual Review (Certified 4/15/91).

(lxxxvi)(a) *Training Provider:* Niagara County Community College.

Address: 160 Washburn St., P.O. Box 70, Lockport, NY 14095, Contact: Mary Baldi-Fron, Phone: (716) 433-1856.

(b) *Approved Courses:*

Abatement Worker (Certified 1/4/87).

Abatement Worker Annual Review (Certified 5/13/91).

Contractor/Supervisor (Certified 5/13/91).

Contractor/Supervisor Annual Review (Certified 5/13/91).

Inspector/Management Planner (Certified 5/13/91).

Inspector/Management Planner Annual Review (Certified 5/13/91).

(lxxxvii)(a) *Training Provider:* Niagara Mohawk Power Corporation.

Address: Training Dept., 300 Erie Blvd., West Syracuse, NY 13202, Contact: Eileen Reynolds, Phone: (315) 428-5534.

(b) *Approved Courses:*

Abatement Worker (Certified 4/10/90).

Abatement Worker Annual Review (Certified 2/13/91).

Contractor/Supervisor (Certified 2/13/91).

(lxxxviii)(a) *Training Provider:* O'Brien & Gere Engineers, Inc.

Address: 5000 Brittonfield Parkway, P.O. Box 4873, Syracuse, NY 13221, Contact: Michael Quirk, Phone: (315) 437-6100.

(b) *Approved Courses:*

Abatement Worker (Certified 2/23/89).

Abatement Worker Annual Review (Certified 5/10/91).

Inspector (Certified 7/23/90).

Inspector Annual Review (Certified 5/21/91).

(lxxxix)(a) *Training Provider:* Operating Engineers Local 17.

Address: 2342 Pleasant Ave., Lake View, NY 14085, Contact: Frederick Eye, Phone: (716) 627-2311.

(b) *Approved Course:*

Abatement Worker (Certified 12/10/90).

(xc)(a) *Training Provider*: Orange-Rockland Utilities.

Address: Bowline Pt. Training Center, Samsondale Ave., West Harestraw, NY 10993, Contact: Daniel Farguson, Phone: (914) 577-2038.

(b) *Approved Course*:

Abatement Worker (Certified 11/14/90).

(xci)(a) *Training Provider*: Orange-Ulster BOCES.

Address: Gibson Rd., Rd. No. 2, Goshen, NY 10924, Contact: Arthur Lange, Phone: (914) 294-5431.

(b) *Approved Courses*:

Abatement Worker (Certified 2/3/89).  
Inspector/Management Planner (Certified 4/11/91).

(xcii)(a) *Training Provider*: PSI Hall-Kimbrell Environmental Services, Inc.-Flushing.

Address: 129-02 26 St., Flushing, NY 11354, Contact: Josephine Marchelletta, Phone: (718) 445-9090.

(b) *Approved Courses*:

Abatement Worker (Certified 6/6/91).  
Inspector (Certified 6/6/91).

(xciii)(a) *Training Provider*: PSI Hall-Kimbrell Environmental Services, Inc.-Kansas.

Address: 4840 West 15th St., Lawrence, KS 66044, Contact: Margaret Maniger, Phone: (315) 463-5542.

(b) *Approved Course*:

Abatement Worker (Certified 8/1/87).

(xciv)(a) *Training Provider*: PSI-Hall Kimbrell Environmental Services, Inc.-Syracuse.

Address: 6103 East Molloy Rd., East Syracuse, NY 13057, Contact: Julie Williams, Phone: (315) 463-5542.

(b) *Approved Courses*:

Abatement Worker (Certified 8/1/87).  
Inspector (Certified 12/4/90).

(xcv)(a) *Training Provider*: Paradigm Environmental Services, Inc.

Address: 961 Lyell Ave., Building 2, Suite 8, Rochester, NY 14606, Contact: Dmitry Tsimberov, Phone: (716) 647-2530.

(b) *Approved Courses*:

Abatement Worker (Certified 8/29/89).  
Abatement Worker Annual Review (Certified 1/31/91).

Contractor/Supervisor (Certified 1/4/91).

Contractor/Supervisor Annual Review (Certified 1/31/91).

Inspector (Certified 1/14/91).

Inspector Annual Review (Certified 2/20/91).

(xcvi)(a) *Training Provider*: Professional Testing Laboratories, Inc.

Address: 18 Seaview Blvd., Port Washington, NY 11050, Contact:

Yelena Goodman, Phone: (516) 484-7878.

(b) *Approved Course*:

Abatement Worker (Certified 5/10/90).

(xcvii)(a) *Training Provider*: Quality Control Services.

Address: 10 Lowell Rd., Andover, MA 01810, Contact: Ajay Pathak, Phone: (518) 475-0623.

(b) *Approved Course*:

Abatement Worker (Certified 6/1/88).

(xcviii)(a) *Training Provider*: Rennselaer, Columbia, Green BOCES.

Address: Brookview Rd., P.O. Box 26, Brookview, NY 12026, Contact: Shirley Readdean, Phone: (518) 732-4474.

(b) *Approved Course*:

Abatement Worker (Certified 4/10/89).

(xcix)(a) *Training Provider*: Retra Services, Inc.

Address: 211 Oxford Blvd., Allison Park, PA 15101, Contact: Phillip Parroff, Phone: (412) 487-1711.

(b) *Approved Courses*:

Abatement Worker (Certified 5/10/90).  
Abatement Worker Annual Review (Certified 2/22/91).

(c)(a) *Training Provider*: Rochester Gas and Electric.

Address: 89 East Ave., Rochester, NY 14649-0001, Contact: Jeffrey Williams, Phone: (716) 724-8129.

(b) *Approved Courses*:

Abatement Worker (Certified 4/4/88).  
Abatement Worker Annual Review (Certified 5/13/91).

(ci)(a) *Training Provider*: Safety Training, Inc.

Address: 114 Durst Pl., Yonkers, NY 10704, Contact: Nelson Helu, Phone: (914) 963-6831.

(b) *Approved Courses*:

Abatement Worker (Certified 1/31/90).  
Abatement Worker Annual Review (Certified 5/21/91).

(cii)(a) *Training Provider*: Seagull/Asbestos Consulting & Training Systems.

Address: 903 Northwest 6th Ave., Fort Lauderdale, FL 33311, Contact: James Stump, Phone: (305) 524-7209.

(b) *Approved Course*:

Abatement Worker (Certified 2/29/88).

(ciii)(a) *Training Provider*: Senagraph Training Facilities.

Address: 37-42 72nd Street, Jackson Heights, NY 11372, Contact: Juan Herrera, Phone: (718) 429-0647.

(b) *Approved Courses*:

Abatement Worker (Certified 9/25/90).  
Abatement Worker Annual Review (Certified 2/20/91).

Contractor/Supervisor (Certified 4/21/91).

(civ)(a) *Training Provider*: Severson Environmental Services.

Address: 2749 Lockport Rd., Niagara Falls, NY 14302, Contact: Paul Hitchco, Phone: (716) 284-0431.

(b) *Approved Course*:

Abatement Worker (Certified 2/1/88).

(cv)(a) *Training Provider*: State University of New York at Buffalo.

Address: 111 Faber Hall, Buffalo, NY 14214, Contact: Joseph Syracuse, Phone: (716) 831-2125.

(b) *Approved Courses*:

Abatement Worker (Certified 2/2/90).  
Abatement Worker Annual Review (Certified 3/26/91).

Contractor/Supervisor (Certified 3/26/91).

Contractor/Supervisor Annual Review (Certified 3/26/91).

Inspector/Management Planner (Certified 3/26/91).

Inspector/Management Planner Annual Review (Certified 3/26/91).

(cvi)(a) *Training Provider*: Suffolk County Carpenters Apprenticeship and Journeymans Retraining Fund.

Address: 3390 Route No. 112, Medford, NY 11763, Contact: Carl Berglin, Phone: (516) 732-2501.

(b) *Approved Course*:

Abatement Worker (Certified 2/14/89).

(cvii)(a) *Training Provider*: Syracuse Asbestos Workers Apprenticeship Fund.

Address: 3950 Griffin Rd., Syracuse, NY 13215, Contact: John Whyland, Phone: (315) 469-6001.

(b) *Approved Course*:

Abatement Worker (Certified 6/1/87).

(cviii)(a) *Training Provider*: Temple University College of Engineering.

Address: 12th and Norris St., Philadelphia, PA 19122, Contact: M. A. Bernarde, Phone: (212) 787-6479.

(b) *Approved Course*:

Abatement Worker (Certified 6/1/87).

(cix)(a) *Training Provider*: Testwell Craig Laboratories - Albany.

Address: 518 Clinton Ave., Albany, NY 12206, Contact: Stanley Purzycki, Phone: (518) 436-4114.

(b) *Approved Courses*:

Abatement Worker (Certified 3/6/88).  
Inspector (Certified 4/11/90).

(cx)(a) *Training Provider*: Testwell Craig Laboratories - Ossining.

Address: 47 Hudson St., Ossining, NY 12206, Contact: Charles Schwartz, Phone: (914) 762-9000.

(b) *Approved Course*:

Abatement Worker (Certified 1/9/90).

(cxi)(a) *Training Provider*: The Environmental Institute.

Address: 350 Franklin Rd., Suite 300, Marietta, GA 30067, Contact: Rachel McCain, Phone: (404) 425-2000.

(b) *Approved Courses*:

Abatement Worker (Certified 2/1/88).  
Inspector (Certified 3/28/90).

(cxii)(a) *Training Provider*: Tri-Cities Laborers.

Address: 666 Wemple Rd., Box 100, Glenmont, NY 12077, Contact: Joseph Zappone, Phone: (518) 426-0290.

(b) *Approved Courses*:

Abatement Worker (Certified 12/1/87).  
Abatement Worker Annual Review (Certified 1/25/91).

(cxiii)(a) *Training Provider*: Tufts University Division of Education.

Address: 177 College Ave., Medford, NY 02155, Contact: Anne Chabot, Phone: (617) 381-3531.

(b) *Approved Course*:

Abatement Worker (Certified 1/1/86).

(cxiv)(a) *Training Provider*: Union Occupational Health Center.

Address: 450 Grider St., Buffalo, NY 14215, Contact: Jeanne Reilly, Phone: (716) 894-9366.

(b) *Approved Course*:

Abatement Worker (Certified 10/28/88).

(cxv)(a) *Training Provider*: United Environmental Systems.

Address: 35 W. 35th St., New York, NY 10001, Contact: Eyal Bakshi, Phone: (212) 643-9633.

(b) *Approved Courses*:

Abatement Worker (Certified 5/18/88 to 6/7/91 only).

Abatement Worker Annual Review (Certified 5/17/91 to 6/7/91 only).

(cxvi)(a) *Training Provider*: University of Cincinnati Medical Center, Institute of Environmental Health.

Address: 3223 Eden Ave., ML56, Cincinnati, OH 45267-0056, Contact: Judy Jarrell, Phone: (513) 558-1729.

(b) *Approved Course*:

Abatement Worker (Certified 11/15/88).

(cxvii)(a) *Training Provider*: University of Illinois - Chicago.

Address: 1440 W. Washington Blvd., Chicago, IL 60607, Contact: Richard Lyons, Phone: (312) 829-1277.

(b) *Approved Course*:

Abatement Worker (Certified 6/1/86).

(cxviii)(a) *Training Provider*: University of Kansas/National.

Address: 6600 College Blvd., Suite 315, Overland, KS 66211, Contact: Lani Himegarner, Phone: (913) 491-0181.

(b) *Approved Course*:

Abatement Worker (Certified 9/1/87).

(cxix)(a) *Training Provider*: Utilicon, Inc.

Address: 7 Tobey Villiage Office Park, Pittsford, NY 14534, Contact: Dennis Money, Phone: (716) 381-8710.

(b) *Approved Course*:

Abatement Worker (Certified 7/25/89 to 6/28/91 only).

(cxx)(a) *Training Provider*: Warren Mae Associates.

Address: 1480 Park St., White Bear Lake, MN 55110, Contact: Janine Rogelstad, Phone: (607) 754-8386.

(b) *Approved Course*:

Abatement Worker (Certified 7/19/88).

(cxxi)(a) *Training Provider*: White Lung Association.

Address: 901 Broad St., 2nd Floor, Newark, NJ 07102, Contact: Myles O'Malley, Phone: (201) 824-2623.

(b) *Approved Courses*:

Abatement Worker (Certified 12/1/86).

Abatement Worker Annual Review

(Certified 3/7/91).

Contractor/Supervisor (Certified 3/7/91).

Contractor/Supervisor Annual Review (Certified 3/7/91).

Inspector/Management Planner (Certified 3/7/91).

Inspector/Management Planner Annual Review (Certified 3/7/91).

(cxxii)(a) *Training Provider*: Wild Apple Enterprises Ltd.

Address: North Hollow Rd., Granville, VT 05747, Contact: John Furman, Phone: (812) 767-4415.

(b) *Approved Courses*:

Abatement Worker (Certified 4/24/90).

Abatement Worker Annual Review

(Certified 3/26/91).

Contractor/Supervisor (Certified 3/26/91).

Contractor/Supervisor Annual Review (Certified 3/26/91).

### North Carolina

(22)(a) *State Agency*: Department of Environment, Health & Natural Resources Division of Epidemiology, Address: Asbestos Hazard Management Branch, P.O. Box 27687, Raleigh, NC 27611-7687, Contact: John C. Curran, Phone: (919) 733-0810.

(b) *Approved Accreditation Program Disciplines*:

Abatement Worker (full from 6/10/91).

Contractor/Supervisor (full from 6/10/91).

Inspector (full from 6/10/91).

Inspector/Management Planner (full from 6/10/91).

Project Designer (full from 6/10/91).

### North Dakota

(23)(a) *State Agency*: State Dept. of Health & Consolidated Laboratories, Address: 1200 Missouri Ave., Box 5520, Bismark, ND 58505, Contact: Ken Wangler, Phone: (701) 221-5188.

(b) *Approved Accreditation Program Disciplines*:

Abatement Worker (full from 4/21/89).  
Contractor/Supervisor (full from 4/21/89).

Inspector (full from 4/21/89).

Inspector/Management Planner (full from 4/21/89).

Project Designer (full from 4/21/89).

(i)(a) *Training Provider*: Midwest Asbestos Consultants, Inc.

Address: Box 1708, Fargo, ND 58107, Contact: Jerry Day, Phone: (701) 280-2286.

(b) *Approved Courses*:

Abatement Worker (Certified 6/30/89).

Abatement Worker Annual Review (Certified 7/31/89).

(ii)(a) *Training Provider*: Survey Management and Design.

Address: 2605 35th Ave. SW., Fargo, ND 58104, Contact: Peter L. Mehl, Phone: (701) 234-9556.

(b) *Approved Courses*:

Abatement Worker (Certified 6/13/89).

Abatement Worker Annual Review (Certified 1/5/90).

Contractor/Supervisor (Certified 6/13/89).

Contractor/Supervisor Annual Review (Certified 8/10/89).

Inspector/Management Planner (Certified 8/24/89).

Inspector/Management Planner Annual Review (Certified 3/28/90).

(iii)(a) *Training Provider*: University of North Dakota.

Address: Box 8275 University Station, Grand Forks, ND 58201, Contact: Dale Patrick, Phone: (701) 777-3341.

(b) *Approved Courses*:

Abatement Worker (Certified 6/13/89).

Abatement Worker Annual Review (Certified 3/28/90).

Contractor/Supervisor (Certified 6/13/89).

Contractor/Supervisor Annual Review (Certified 3/28/90).

Inspector/Management Planner (Certified 3/28/91).

Inspector/Management Planner Annual Review (Certified 6/21/91).

Project Designer Annual Review (Certified 3/14/91).

### Oregon

(24)(a) *State Agency*: State of Oregon Dept. of Environmental Quality,

Address: 811 Southwest Sixth Ave.,  
Portland, OR 97204-1390, Contact: Bruce  
E. Arnold, Phone: (503) 229-5506.

**(b) Approved Accreditation Program  
Disciplines:**

Abatement Worker (full from 9/23/88).  
Contractor/Supervisor (full from 9/23/  
88).

(i)(a) *Training Provider:* Alice  
Hamilton Occupational Health Center.  
Address: 410 7th Street, SE.,  
Washington, DC 20003, Contact: Brian  
Christopher, Phone: (202) 543-0005.

**(b) Approved Course:**

Abatement Worker (Certified 12/6/90).

(ii)(a) *Training Provider:* Asbestos  
Training Project, Inc.

Address: 1908 Southeast Pershing St.,  
Portland, OR 97202, Contact: Edwub  
Edinger, Phone: (503) 233-7707.

**(b) Approved Courses:**

Abatement Worker (Certified 9/23/88).  
Abatement Worker Annual Review  
(Certified 9/23/88).

Contractor/Supervisor (Certified 9/23/  
88).

Contractor/Supervisor Annual Review  
(Certified 12/28/88).

(iii)(a) *Training Provider:* Hazcon, Inc.

Address: 9500 Southwest Barbur Blvd.,  
Portland, OR 97219, Contact: Randi  
Olson, Phone: (503) 244-8045.

**(b) Approved Courses:**

Abatement Worker (Certified 9/23/88).  
Abatement Worker Annual Review  
(Certified 9/23/88).

Contractor/Supervisor (Certified 9/23/  
88).

Contractor/Supervisor Annual Review  
(Certified 9/23/88).

(iv)(a) *Training Provider:* Laborers/  
AGC Apprenticeship & Training  
Program.

Address: Route 5, Box 325A, Corvallis,  
OR 97330, Contact: Bill Duke, Phone:  
(503) 745-5513.

**(b) Approved Courses:**

Abatement Worker (Certified 9/23/88).  
Abatement Worker Annual Review  
(Certified 9/23/88).

Contractor/Supervisor (Certified 9/23/  
88).

Contractor/Supervisor Annual Review  
(Certified 12/21/89).

(v)(a) *Training Provider:* Marine &  
Environmental Testing, Inc.

Address: P.O. Box 1142, Beaverton, OR  
97075, Contact: Martin Finkel, Phone:  
(503) 286-2950.

**(b) Approved Course:**

Abatement Worker (Certified 12/3/88 to  
9/18/89 only).

(vi)(a) *Training Provider:* NAC  
Corporation.

Address: 1005 Northwest Galveston,  
Suite E, Bend, OR 97701, Contact: Dale  
Schmidt, Phone: (503) 389-9727.

**(b) Approved Courses:**

Abatement Worker (Certified 3/23/89 to  
5/1/91 only).

Contractor/Supervisor (Certified 4/1/90  
to 6/1/91 only).

(vii)(a) *Training Provider:* Northwest  
Envirocon, Inc.

Address: P.O. Box 4638, Vancouver, WA  
98682, Contact: Susan Bullock, Phone:  
(206) 699-4015.

**(b) Approved Courses:**

Abatement Worker (Certified 12/14/88).

Abatement Worker Annual Review  
(Certified 11/3/88).

Contractor/Supervisor (Certified 12/14/  
88).

Contractor/Supervisor Annual Review  
(Certified 11/3/88).

(viii)(a) *Training Provider:* PSI/Hall-  
Kimbrell Environmental Division.

Address: 4621 SW Kelly Avenue,  
Portland, OR 97201, Contact: Kelly  
Champion, Phone: (503) 223-1440.

**(b) Approved Courses:**

Abatement Worker (Certified 12/28/88  
to 1/1/91 only).

Contractor/Supervisor (Certified 9/7/89  
to 10/1/90 only).

**Pennsylvania**

(25)(a) *State Agency:* Commonwealth  
of Pennsylvania Department of Labor  
and Industry, Address: 7th & Forster  
Streets, Harrisburg, PA 17120, Contact:  
Sharon Lawson, Phone: (717) 772-3396.

**(b) Approved Accreditation Program  
Disciplines:**

Abatement Worker (full from 7/1/91).  
Contractor/Supervisor (full from 7/1/  
91).

Inspector (full from 7/1/91).  
Inspector/Management Planner (full  
from 7/1/91).

Project Designer (full from 7/1/91).

(i)(a) *Training Provider:* Asbestos  
Workers Local No. 23 & Pennsylvania  
Insulator Contractor's Association.

Address: 981 Peifers Lane, Harrisburg,  
PA 17109, Contact: Tom Jordon,  
Phone: (717) 564-7583.

**(b) Approved Courses:**

Abatement Worker Annual Review  
(Certified 7/5/91).

Contractor/Supervisor (Certified 7/5/  
91).

Contractor/Supervisor Annual Review  
(Certified 7/5/91).

(ii)(a) *Training Provider:* Lancaster  
Laboratories, Inc.

Address: 2425 New Holland Pike,  
Lancaster, PA 17601, Contact: Nadia  
Alfieri, Phone: (717) 656-2301.

**(b) Approved Course:**

Abatement Worker (Certified 7/5/91).

**Rhode Island**

(26)(a) *State Agency:* State of Rhode  
Island & Providence Plantations,  
Department of Health, Address: 206  
Cannon Bldg., Three Capitol Hill,  
Providence, RI 02908, Contact: William  
Dundulis, Jr., Phone: (401) 277-3601.

**(b) Approved Accreditation Program  
Disciplines:**

Abatement Worker (full from 2/4/86).  
Contractor/Supervisor (full from 2/4/  
86).

Inspector/Management Planner (full  
from 8/3/89).

Project Designer (full from 8/3/89).

(i)(a) *Training Provider:* A & S  
Training School, Inc.

Address: 99 South Cameron St.,  
Harrisburg, PA 17101, Contact:  
William I. Roberts, Phone: (717) 257-  
1360.

**(b) Approved Course:**

Contractor/Supervisor (Certified 3/31/  
89 to 3/29/91 only).

(ii)(a) *Training Provider:* Analytical  
Testing Services, Inc.

Address: 27 Thurber Blvd., Smithfield,  
RI 02917, Contact: Robert Weisberg,  
Phone: (401) 232-1420.

**(b) Approved Courses:**

Abatement Worker Annual Review  
(Certified 12/10/86).

Contractor/Supervisor Annual Review  
(Certified 12/10/86).

Inspector/Management Planner  
(Certified 1/10/91).

Inspector/Management Planner Annual  
Review (Certified 1/10/91).

(iii)(a) *Training Provider:* Applied  
Occupational Health Systems.

Address: 29 River Rd., Suite 18, Concord,  
NH 03301, Contact: H. Charles  
Claridge, II, Phone: (603) 228-3610.

**(b) Approved Courses:**

Abatement Worker (Certified 6/11/90).  
Contractor/Supervisor (Certified 6/11/  
90).

(iv)(a) *Training Provider:* Asbestos  
Consulting & Training Systems.

Address: 903 Northwest Sixth Ave., Fort  
Lauderdale, FL 33311, Contact: James  
F. Stump, Phone: (305) 524-7208.

**(b) Approved Course:**

Abatement Worker (Certified 11/21/89).

(v)(a) *Training Provider:* Center for  
Environmental Management-Tufts  
University.

Address: 474 Boston Ave., Medford, MA  
02155, Contact: Brenda Cole, Phone:  
(617) 381-3531.

**(b) Approved Courses:**

Abatement Worker (Certified 7/1/86).

Abatement Worker Annual Review (Certified 3/31/89).

Contractor/Supervisor (Certified 7/1/86).

Contractor/Supervisor Annual Review (Certified 3/31/89).

(vi)(a) *Training Provider:* Certified Engineering & Testing Co., Inc.

Address: 100 Grossman Dr., Braintree, MA 02184, Contact: Robert Thornburgh, Phone: (617) 849-0111.

**(b) Approved Courses:**

Abatement Worker (Certified 8/22/89).

Abatement Worker Annual Review (Certified 8/22/89).

Contractor/Supervisor (Certified 8/22/89).

Contractor/Supervisor Annual Review (Certified 8/22/89).

(vii)(a) *Training Provider:* Chemscope, Inc.

Address: P.O. Box 389, Newhaven, CT 06513, Contact: Ronald D. Arena, Phone: (203) 865-5605.

**(b) Approved Courses:**

Abatement Worker Annual Review (Certified 11/27/90).

Contractor/Supervisor Annual Review (Certified 11/27/90).

(viii)(a) *Training Provider:* Community College of Rhode Island.

Address: 1762 Louisquisset Pk., Lincoln, RI 02865, Contact: Richard Tessier, Phone: (401) 333-7166.

**(b) Approved Courses:**

Abatement Worker (Certified 11/13/87).

Abatement Worker Annual Review (Certified 3/31/89).

Contractor/Supervisor (Certified 3/31/89).

Contractor/Supervisor Annual Review (Certified 3/31/89).

Inspector/Management Planner Annual Review (Certified 12/14/90).

(ix)(a) *Training Provider:* Con-Test Educational Center.

Address: 39 Spruce St., East Longmeadow, MA 01028, Contact: Brenda Bolduc, Phone: (413) 525-1198.

**(b) Approved Courses:**

Abatement Worker (Certified 3/1/86).

Abatement Worker Annual Review (Certified 2/8/89).

Contractor/Supervisor (Certified 3/1/86).

Contractor/Supervisor Annual Review (Certified 2/8/89).

(x)(a) *Training Provider:* Dennison Environmental, Inc.

Address: 74 Commerce Way, Woburn, MA 01801, Contact: Kathleen Estridge, Phone: (617) 932-9400.

**(b) Approved Courses:**

Abatement Worker (Certified 4/30/89).

Abatement Worker Annual Review (Certified 4/30/89).

Contractor/Supervisor (Certified 4/30/89).

Contractor/Supervisor Annual Review (Certified 4/30/89).

(xi)(a) *Training Provider:* Environmed Services, Inc.

Address: 25 Science Park, New Haven, CT 06511, Contact: George Giacco, Jr., Phone: (203) 786-5580.

**(b) Approved Courses:**

Abatement Worker (Certified 9/28/89).

Abatement Worker Annual Review (Certified 12/6/90).

Contractor/Supervisor (Certified 9/28/89).

Contractor/Supervisor Annual Review (Certified 12/6/90).

(xii)(a) *Training Provider:*

Environmental Training Services.

Address: 62 - H Montvale Pl., Stoneham, MA 02180, Contact: Maryann Martin, Phone: (617) 279-0855.

**(b) Approved Courses:**

Abatement Worker (Certified 1/23/90).

Abatement Worker Annual Review (Certified 1/23/90).

Contractor/Supervisor (Certified 1/23/90).

Contractor/Supervisor Annual Review (Certified 1/23/90).

(xiii)(a) *Training Provider:* Georgia Institute of Technology/GTRI.

Address: 151 6th St., Atlanta, GA 30332, Contact: Mark Demyanek, Phone: (404) 894-3808.

**(b) Approved Courses:**

Abatement Worker (Certified 7/22/88).

Abatement Worker Annual Review (Certified 2/14/89).

Contractor/Supervisor (Certified 7/22/88).

Contractor/Supervisor Annual Review (Certified 2/14/89).

(xiv)(a) *Training Provider:* Harvard School of Public Health.

Address: 677 Huntington Ave., Boston, MA 02115, Contact: Louis DiBerardinis, Phone: (617) 732-1171.

**(b) Approved Courses:**

Abatement Worker (Certification Pending).

Contractor/Supervisor (Certification Pending).

(xv)(a) *Training Provider:* Heat & Frost Insulation Union Local No. 6.

Address: 56 Roland St., Boston, MA 02129, Contact: Anthony Pistorino, Phone: (617) 625-6666.

**(b) Approved Courses:**

Abatement Worker (Certified 3/2/89).

Contractor/Supervisor (Certified 3/2/89).

(xvi)(a) *Training Provider:* Hygeia, Inc.

Address: 303 Bear Hill Rd., Waltham, MA 02154, Contact: Cynthia Whalen, Phone: (617) 890-4999.

**(b) Approved Courses:**

Abatement Worker (Certified 1/31/89).

Abatement Worker Annual Review (Certified 3/6/90).

Contractor/Supervisor (Certified 12/7/89).

Contractor/Supervisor Annual Review (Certified 3/6/90).

(xvii)(a) *Training Provider:* Hygienetics, Inc.

Address: 150 Causeway St., Boston, MA 02114, Contact: Russell Matthews, Phone: (617) 723-4664.

**(b) Approved Courses:**

Abatement Worker (Certified 5/10/89).

Abatement Worker Annual Review (Certified 5/10/89).

Contractor/Supervisor (Certified 5/10/89).

Contractor/Supervisor Annual Review (Certified 5/10/89).

(xviii)(a) *Training Provider:* Institute for Environmental Education.

Address: 500 West Cummings Pk., Suite 3650, Woburn, MA 01801, Contact: Starla L. Engelhardt, Phone: (617) 935-7370.

**(b) Approved Courses:**

Abatement Worker (Certified 9/9/87).

Abatement Worker Annual Review (Certified 5/8/89).

Contractor/Supervisor (Certified 9/9/87).

Contractor/Supervisor Annual Review (Certified 5/8/89).

(xix)(a) *Training Provider:* Mystic Air Quality Consultants.

Address: 1085 Buddington Rd., Groton, CT 06340, Contact: Christopher Eident, Phone: (203) 449-8903.

**(b) Approved Courses:**

Abatement Worker Annual Review (Certified 1/29/90).

Contractor/Supervisor (Certified 1/31/89).

Contractor/Supervisor Annual Review (Certified 1/29/90).

**(xx)(a) Training Provider:** NAACO.

Address: 790 Turnpike St., North Andover, MA 01845, Contact: Martin Levitt, Phone: (508) 681-8711.

**(b) Approved Courses:**

Abatement Worker (Certified 4/28/88).

Abatement Worker Annual Review (Certified 4/3/89).

Contractor/Supervisor Annual Review (Certified 4/3/89).

(xxi)(a) *Training Provider:* National Asbestos Council (NAC), Training Dept.

Address: 1777 Northeast Expressway, Suite 150, Atlanta, GA 30329, Contact: Tom Laubenthal, Phone: (404) 633-2622.

**(b) Approved Courses:**

Abatement Worker (Certified 9/5/86).  
Abatement Worker Annual Review (Certified 1/16/91).  
Contractor/Supervisor Annual Review (Certified 1/16/91).

**(xxii)(a) Training Provider:** National Training Fund/Workers Institute for Safety & Health (WISH).

Address: 1126 16th St., NW., Washington, DC 20036, Contact: Mathew Gillen, Phone: (202) 887-1980.

**(b) Approved Courses:**

Abatement Worker (Certified 1/31/89).  
Abatement Worker Annual Review (Certified 1/31/89).  
Contractor/Supervisor (Certified 1/31/89).  
Contractor/Supervisor Annual Review (Certified 1/31/89).

**(xxiii)(a) Training Provider:** New England Laborers Training Trust Fund.

Address: 37 East St., Hopkinton, MA 01748, Contact: James Merloni, Phone: (508) 435-6316.

**(b) Approved Courses:**

Abatement Worker (Certified 7/1/86).  
Abatement Worker Annual Review (Certified 2/15/89).  
Contractor/Supervisor (Certified 2/4/91).

Contractor/Supervisor Annual Review (Certified 2/15/89).

**(xxiv)(a) Training Provider:** Quality Control Services, Inc.

Address: 10 Lowell Junction Rd., Andover, MA 01810, Contact: Ajay Pathak, Phone: (508) 475-0623.

**(b) Approved Courses:**

Abatement Worker (Certified 4/27/88).  
Abatement Worker Annual Review (Certified 3/10/89).  
Contractor/Supervisor (Certified 4/27/88).

Contractor/Supervisor Annual Review (Certified 3/10/89).

**(xxv)(a) Training Provider:** Safe Environment of America, Inc.

Address: 100 Moody St., Suite 200, Ludlow, MA 01056, Contact: Anne Folta, Phone: (413) 289-1409.

**(b) Approved Courses:**

Abatement Worker (Certified 1/31/89).  
Abatement Worker Annual Review (Certification Pending).  
Contractor/Supervisor (Certified 1/31/89).  
Contractor/Supervisor Annual Review (Certification Pending).

## South Dakota

**(27)(a) State Agency:** Dept. of Water & Natural Resources Division of Air Quality & Solid Waste, Address: Joe Foss Building, 523 East Capitol St., Pierre, SD 57501, Contact: Bob McDonald, Phone: (605) 773-3153.

**(b) Approved Accreditation Program Disciplines:**

Abatement Worker (full from 9/15/88).  
Contractor/Supervisor (full from 9/15/88).

Inspector/Management Planner (full from 9/15/88).

Project Designer (full from 9/15/88).

**(i)(a) Training Provider:** ATC Environmental.

Address: 1515 East 10th St., Sioux Falls, SD 57701, Contact: Jim Stout, Phone: (605) 338-0555.

**(b) Approved Courses:**

Abatement Worker (Certified 2/6/90).  
Abatement Worker Annual Review (Certified 2/6/90).  
Contractor/Supervisor (Certified 2/6/90).

Inspector/Management Planner (Certified 2/6/90).

Inspector/Management Planner Annual Review (Certified 7/6/90).

**(ii)(a) Training Provider:** Asbestec.

Address: P.O. Box 5064, Cheyenne, WY 82003-5064, Contact: Leo Quinlivan, Phone: (307) 638-3100.

**(b) Approved Courses:**

Abatement Worker (Certified 2/14/91).  
Abatement Worker Annual Review (Certified 2/14/91).  
Contractor/Supervisor (Certified 2/14/91).

Contractor/Supervisor Annual Review (Certified 2/14/91).

Inspector/Management Planner (Certified 2/14/91).

Inspector/Management Planner Annual Review (Certified 2/14/91).

Project Designer (Certified 2/14/91).  
Project Designer Annual Review (Certified 2/14/91).

**(iii)(a) Training Provider:** Asbestos Consulting & Training Systems.

Address: 903 NW. 6th Ave., Fort Lauderdale, FL 33311, Contact: Marl Knick, Phone: (305) 524-7208.

**(b) Approved Courses:**

Abatement Worker (Certified 6/20/90).  
Abatement Worker Annual Review (Certified 6/20/90).  
Contractor/Supervisor (Certified 6/20/90).

Contractor/Supervisor Annual Review (Certified 6/20/90).

**(iv)(a) Training Provider:** Asbestos Training & Supply.

Address: 504 Saddle Dr., Cheyenne, WY 82009, Contact: F. Gerald Blackwell, Phone: (307) 634-6858.

**(b) Approved Courses:**

Abatement Worker (Certified 2/14/91).  
Abatement Worker Annual Review (Certified 2/14/91).

Contractor/Supervisor (Certified 2/14/91).

Contractor/Supervisor Annual Review (Certified 2/14/91).

**(v)(a) Training Provider:** Black Hills Special Services Cooperative.

Address: Box 218, Sturgis, SD 57784, Contact: Steve Miller, Phone: (605) 347-4467.

**(b) Approved Courses:**

Abatement Worker (Certified 3/22/89).  
Abatement Worker Annual Review (Certified 8/9/88).

Contractor/Supervisor (Certified 3/22/89).

Contractor/Supervisor Annual Review (Certified 8/9/88).

Inspector/Management Planner (Certified 3/22/89).

Inspector/Management Planner Annual Review (Certified 2/26/90).

Project Designer Annual Review (Certified 12/7/90).

**(vi)(a) Training Provider:** Cleveland Environmental Services, Inc.

Address: 1400 Harrison Avenue, P.O. Box 14643, Cleveland, OH 45214, Contact: Eugene B. Rose, Phone: (513) 921-1160.

**(b) Approved Courses:**

Abatement Worker (Certified 9/10/90).  
Abatement Worker Annual Review (Certified 9/10/90).

**(vii)(a) Training Provider:** Enviro-safe Inc.

Address: P.O. Box 328, Wakonda, SD 57073, Contact: John Mathrol, Phone: (605) 287-2539.

**(b) Approved Courses:**

Abatement Worker (Certified 2/28/89 to 1/1/90 only).

Contractor/Supervisor (Certified 2/28/89 to 1/1/90 only).

Inspector/Management Planner (Certified 2/28/89 to 1/1/90 only).

**(viii)(a) Training Provider:** Fargo - Moorhead Carpenters Joint Apprenticeship & Training Committee.

Address: 3002 1st Ave., N., Fargo, ND 58102, Contact: Raymond Such, Phone: (701) 235-4981.

**(b) Approved Courses:**

Abatement Worker (Certified 4/20/89).  
Abatement Worker Annual Review (Certified 4/25/90).

Contractor/Supervisor (Certified 4/20/89).



Contractor/Supervisor Annual Review (Certified 4/25/90).

(ix)(a) *Training Provider:* Fox & Fox, Inc.

Address: 1904 Willow Creek Rd., Casper, WY 82604, Contact: David Fox, Phone: (307) 234-0084.

(b) *Approved Courses:*

Abatement Worker (Certified 1/29/90).

Abatement Worker Annual Review (Certified 1/29/90).

Contractor/Supervisor (Certified 1/29/90).

Contractor/Supervisor Annual Review (Certified 1/29/90).

(x)(a) *Training Provider:* Iowa Laborers Training Fund.

Address: 5806 Meredith Ave., Suite C, Des Moines, IA 50322, Contact: Jack Jones, Phone: (515) 270-8965.

(b) *Approved Course:*

Abatement Worker (Certified 3/22/88).

(xi)(a) *Training Provider:* L & L Insulation, Inc.

Address: P.O. Box 1258, Rapid City, SD 57709, Contact: Perry Huber, Phone: (605) 348-4012.

(b) *Approved Courses:*

Abatement Worker (Certified 3/4/91).

Contractor/Supervisor (Certified 3/4/91).

Contractor/Supervisor Annual Review (Certified 3/19/91).

(xii)(a) *Training Provider:* National Asbestos Training Center, University of Kansas.

Address: 6600 College Blvd., Suite 315, Overland Park, KS 66211, Contact: Karen Wilson, Phone: (913) 491-0181.

(b) *Approved Courses:*

Abatement Worker (Certified 4/3/90).

Abatement Worker Annual Review (Certified 4/3/90).

Contractor/Supervisor (Certified 4/3/90).

Contractor/Supervisor Annual Review (Certified 4/3/90).

Inspector/Management Planner Annual Review (Certified 4/3/90).

(xiii)(a) *Training Provider:* Pickering Environmental.

Address: 1750 Madison Ave., Memphis, TN 38104, Contact: David Wright, Phone: (901) 728-0810.

(b) *Approved Course:*

Inspector/Management Planner (Certified 2/8/89).

(xiv)(a) *Training Provider:* South Dakota State University, College of Engineering.

Address: P.O. Box 2218, Brookings, SD 57007-0597, Contact: James Ceglian, Phone: (605) 688-4107.

(b) *Approved Courses:*

Abatement Worker (Certified 5/18/88).

Abatement Worker Annual Review (Certified 9/8/88).

Contractor/Supervisor (Certified 5/18/88).

Contractor/Supervisor Annual Review (Certified 9/8/88).

Inspector/Management Planner (Certified 5/18/88).

Inspector/Management Planner Annual Review (Certified 9/8/88).

#### Utah

(28)(a) *State Agency:* Utah Division of Air Quality Department of Environmental Quality, Address: 1950 West North Temple, Salt Lake City, UT 84114-4820, Contact: F. Burnell Cordner, Phone: (801) 536-4000.

(b) *Approved Accreditation Program Disciplines:*

Abatement Worker (full from 7/8/89).

Contractor/Supervisor (full from 7/8/89).

Inspector/Management Planner (full from 7/8/89).

Project Designer (full from 7/8/89).

(i)(a) *Training Provider:* Asbestos Training Associates (ATA).

Address: 10258 S. Flanders Road, Sandy, UT 84092, Contact: Joseph B. Ligor, Phone: (801) 571-4116.

(b) *Approved Course:*

Contractor/Supervisor (Certified 4/5/90).

(ii)(a) *Training Provider:* Hygienetics, Inc.

Address: 2200 Powell St., Suite 880, Emeryville, CA 94608, Contact: Joseph F. Filan III, Phone: (415) 547-3888.

(b) *Approved Courses:*

Contractor/Supervisor (Certified 6/28/91).

Contractor/Supervisor Annual Review (Certified 6/28/91).

(iii)(a) *Training Provider:* Industrial Health Incorporated.

Address: 640 E. Wilmington Ave., Salt Lake City, UT 84106, Contact: Merlynn Densley, Phone: (801) 466-2223.

(b) *Approved Courses:*

Abatement Worker (Certified 1/10/89).

Contractor/Supervisor (Certified 4/24/89).

Contractor/Supervisor Annual Review (Certified 6/28/91).

Inspector/Management Planner (Certified 3/23/89).

Inspector/Management Planner Annual Review (Certified 6/28/91).

(iv)(a) *Training Provider:* JKL Asbestos, Inc.

Address: P.O. Box 406, Lehi, UT 84043, Contact: James K. Libberton, Phone: (801) 768-4231.

(b) *Approved Course:*

Abatement Worker Annual Review (Certified 7/2/90).

(v)(a) *Training Provider:* Laborers AGC Training.

Address: Route 5, Box 325 A, Corvallis, OR 97330, Contact: Bill Duke, Phone: (503) 745-5513.

(b) *Approved Courses:*

Abatement Worker (Certified 6/28/91).

Contractor/Supervisor (Certified 6/28/91).

(vi)(a) *Training Provider:* National Asbestos Training Center The University of Kansas.

Address: 6600 College Blvd., Suite 315, Overland Park, KS 66211, Contact: Karen Wilson, Phone: (913) 491-0181.

(b) *Approved Courses:*

Contractor/Supervisor (Certified 6/28/91).

Contractor/Supervisor Annual Review (Certified 6/28/91).

Inspector/Management Planner (Certified 6/28/91).

Inspector/Management Planner Annual Review (Certified 6/28/91).

Project Designer Annual Review (Certified 6/28/91).

(vii)(a) *Training Provider:* National Education Program for Asbestos (NEPA).

Address: 2863 West 8750 South, West Jordan, UT 84088, Contact: Mark A. Kirk, Phone: (801) 565-1400.

(b) *Approved Courses:*

Abatement Worker (Certified 6/28/91).

Abatement Worker Annual Review (Certified 6/28/91).

Contractor/Supervisor (Certified 4/12/89).

Contractor/Supervisor Annual Review (Certified 5/22/89).

(viii)(a) *Training Provider:* Power Master Incorporated.

Address: 13205 South State St., Draper, UT 84020, Contact: Brian Welty, Phone: (801) 571-9321.

(b) *Approved Course:*

Abatement Worker (Certified 7/29/88 to 4/4/91 only).

(ix)(a) *Training Provider:* Rocky Mountain Center for Occupational and Environmental Health.

Address: University of Utah, Building 512, Salt Lake City, UT 84112, Contact: Jeffery S. Lee, Phone: (801) 581-5710.

(b) *Approved Courses:*

Abatement Worker (Certified 2/8/89).

Abatement Worker Annual Review (Certified 2/13/89).

Contractor/Supervisor (Certified 10/7/88).

Contractor/Supervisor Annual Review (Certified 6/7/88).  
 Inspector/Management Planner (Certified 6/28/91).  
 Inspector/Management Planner Annual Review (Certified 12/15/88).  
 Project Designer (Certified 10/7/88).  
 Project Designer Annual Review (Certified 6/28/91).

(x)(a) *Training Provider*: S & H Asbestos Consultants, Inc.

Address: 4980 Holladay Blvd., Salt Lake City, UT 84117, Contact: Stanley Christiansen, Phone: (801) 277-2323.

(b) *Approved Courses*:

Abatement Worker (Certified 8/12/88).  
 Abatement Worker Annual Review (Certified 7/28/89).

(xi)(a) *Training Provider*: Utah Carpenters Joint Apprenticeship & Training Committee.

Address: 2261 S. Redwood Rd., Suite J, Salt Lake City, UT 84119, Contact: Ken Mayne, Phone: (801) 972-5147.

(b) *Approved Courses*:

Abatement Worker (Certified 10/16/89).  
 Contractor/Supervisor (Certified 10/16/89).

(xii)(a) *Training Provider*: Utah Correctional Industries.

Address: P.O. Box 850, Draper, UT 84020-850, Contact: Vic Middleton, Phone: (801) 571-9264.

(b) *Approved Courses*:

Contractor/Supervisor (Certified 9/25/89).  
 Contractor/Supervisor Annual Review (Certified 4/5/90).

### Virginia

(29)(a) *State Agency*: Commonwealth of Virginia Dept. of Commerce, Address: 3600 West Broad St., Richmond, VA 23230-4917, Contact: Nelle P. Hotchkiss, Phone: (804) 367-8595.

(b) *Approved Accreditation Program Disciplines*:

Abatement Worker (full from 7/1/88).  
 Contractor/Supervisor (full from 7/1/88).

Inspector/Management Planner (full from 7/1/88).

Project Designer (full from 7/1/88).

(i)(a) *Training Provider*: ATEC Environmental Consultants.

Address: 8989 Herman Dr., Columbia, MD 21045-4710, Contact: Cathy Criswell, Phone: (301) 381-0282.

(b) *Approved Course*:

Contractor/Supervisor Annual Review (Certified 6/19/91).

(ii)(a) *Training Provider*: Aerosol Monitoring & Analysis.

Address: The Commons Corporate Center, 1341 Ashton Rd., Suite A,

Hanover, MD 21076, Contact: Steve Blizzard, Phone: (800) 221-1745.

(b) *Approved Courses*:

Abatement Worker Annual Review (Certified 10/18/89).

Contractor/Supervisor (Certified 10/31/89).

Contractor/Supervisor Annual Review (Certified 10/18/89).

Inspector/Management Planner Annual Review (Certified 10/18/89).

(iii)(a) *Training Provider*: Alice Hamilton Occupational Health Center.

Address: 410 7th St., SE., 2nd Floor, Washington, DC 20003, Contact: Brian Christopher, Phone: (202) 543-0005.

(b) *Approved Courses*:

Abatement Worker (Certified 3/2/88).

Abatement Worker Annual Review (Certified 1/1/89).

Contractor/Supervisor (Certified 3/2/88).

Contractor/Supervisor Annual Review (Certified 1/1/89).

Inspector/Management Planner (Certified 3/2/88).

Inspector/Management Planner Annual Review (Certified 3/1/89).

(iv)(a) *Training Provider*: Asbestos Analytical Association.

Address: 3208-B George Washington Hwy., Portsmouth, VA 23704, Contact: Carol Holden, Phone: (804) 397-0695.

(b) *Approved Courses*:

Abatement Worker (Certified 7/27/88).

Abatement Worker Annual Review (Certified 2/1/89).

Contractor/Supervisor (Certified 7/27/88).

Contractor/Supervisor Annual Review (Certified 2/1/89).

Inspector/Management Planner (Certified 7/27/88).

Inspector/Management Planner Annual Review (Certified 6/1/89).

Project Designer Annual Review (Certified 5/13/89).

(v)(a) *Training Provider*: Asbestos Consulting & Training Systems.

Address: 903 Northwest Sixth Ave., Ft. Lauderdale, FL 33311, Contact: Mark Knick, Phone: (305) 524-7208.

(b) *Approved Courses*:

Abatement Worker (Certified 10/6/89).

Abatement Worker Annual Review (Certified 2/1/90).

Contractor/Supervisor (Certified 10/6/89).

Contractor/Supervisor Annual Review (Certified 2/1/90).

(vi)(a) *Training Provider*: Asbestos Removal Corp. of Maryland.

Address: 521-D Pulaski Highway, Joppa, MD 21085, Contact: John Therappas, Phone: (301) 679-6062.

(b) *Approved Courses*:

Abatement Worker Annual Review (Certified 7/19/90).

Contractor/Supervisor Annual Review (Certified 7/19/90).

(vii)(a) *Training Provider*: Atlantic Environmental Resources.

Address: 10111-B Bacon Dr., Beltsville, MD 20705, Contact: John Profit, Phone: (301) 595-1737.

(b) *Approved Courses*:

Abatement Worker Annual Review (Certified 7/19/90).

Contractor/Supervisor Annual Review (Certified 7/19/90).

(viii)(a) *Training Provider*: BCM Engineers.

Address: 600 W. Service Rd., Suite 320, Wash Dulles International Airport, Chantilly, VA 22021, Contact: Charles Riedinger, Phone: (703) 260-0060.

(b) *Approved Courses*:

Inspector/Management Planner Annual Review (Certified 9/1/89).

Project Designer Annual Review (Certified 9/1/89).

(ix)(a) *Training Provider*: Barco, Inc.

Address: 2439 N. Charles St., Baltimore, MD 21218, Contact: Bart Harrison, Phone: (301) 889-7770.

(b) *Approved Courses*:

Abatement Worker Annual Review (Certified 11/19/90).

Contractor/Supervisor Annual Review (Certified 11/19/90).

(x)(a) *Training Provider*: Biospherics, Inc.

Address: 12051 Indian Creek Ct., Beltsville, MD 20705, Contact: Jean Fisher, Phone: (301) 369-3900.

(b) *Approved Courses*:

Abatement Worker (Certified 9/13/88).

Abatement Worker Annual Review (Certified 4/1/89).

Contractor/Supervisor (Certified 9/13/88).

Contractor/Supervisor Annual Review (Certified 3/1/89).

Inspector/Management Planner (Certified 9/13/88).

Inspector/Management Planner Annual Review (Certified 3/1/89).

Project Designer Annual Review (Certified 7/1/91).

(xi)(a) *Training Provider*: Briggs Assoc. Inc.

Address: 8325 Guilford Rd., Suite E, Columbia, MD 21046, Contact: J. Roos Voorhees, Phone: (301) 381-4434.

(b) *Approved Course*:

Abatement Worker (Certification Pending).

(xii)(a) *Training Provider:* Critical Environmental.

Address: 5815 Gulf Freeway, Houston, TX 77023, Contact: Ronald F. Dodson, Phone: (713) 921-8921.

(b) *Approved Courses:*

Abatement Worker (Certification Pending).

Contractor/Supervisor (Certification Pending).

Inspector/Management Planner (Certification Pending).

(xiii)(a) *Training Provider:* Delaware Tech.

Address: 1832 North Dupont Parkway, Dover, DE 19001, Contact: David T. Stanley, Phone: (302) 736-5321.

(b) *Approved Courses:*

Abatement Worker Annual Review (Certified 1/16/91).

Contractor/Supervisor Annual Review (Certified 1/16/91).

(xiv)(a) *Training Provider:* E.I. DuPont de Nemours & Co., Inc.

Address: Spruance Plant, P.O. Box 27001, Richmond, VA 23261, Contact: Clarence Mihal, Phone: (804) 743-2948.

(b) *Approved Courses:*

Abatement Worker (Certified 5/11/88).

Abatement Worker Annual Review (Certified 2/1/89).

Contractor/Supervisor (Certified 5/11/88).

Contractor/Supervisor Annual Review (Certified 6/1/89).

(xv)(a) *Training Provider:* EME, Inc.

Address: P.O. Box 8843, Greensboro, NC 27409, Contact: Russ Luther, Phone: (919) 855-5752.

(b) *Approved Course:*

Abatement Worker (Certified 4/1/90).

(xvi)(a) *Training Provider:* Environmental Specialties, Inc.

Address: P.O. Box 130, Hopewell, VA 23860, Contact: Lewis Stevenson, Phone: (804) 452-1212.

(b) *Approved Courses:*

Abatement Worker (Certified 5/1/89).

Abatement Worker Annual Review (Certified 6/1/89).

Contractor/Supervisor (Certified 5/1/89).

Contractor/Supervisor Annual Review (Certified 6/1/89).

(xvii)(a) *Training Provider:* Fluor Daniel.

Address: The Daniel Bldg., 301 North Main St., Greenville, SC 29601, Contact: Rick Florence, Phone: (803) 298-2166.

(b) *Approved Courses:*

Abatement Worker (Certified 6/24/88).

Contractor/Supervisor (Certified 6/24/88).

(xviii)(a) *Training Provider:* GST Company.

Address: 50 Progress Ave., Zelienople, PA 16063, Contact: Norma Stanford, Phone: (412) 772-7488.

(b) *Approved Courses:*

Abatement Worker (Certified 6/1/89).

Abatement Worker Annual Review (Certified 7/1/89).

Contractor/Supervisor (Certified 6/1/89).

Contractor/Supervisor Annual Review (Certified 7/1/89).

(xix)(a) *Training Provider:* Georgia Tech Research Group.

Address: Georgia Tech Institute of Technology, Atlanta, GA 30332, Contact: Vicki H. Ainslie, Phone: (404) 895-3806.

(b) *Approved Courses:*

Contractor/Supervisor (Certified 5/1/89).

Contractor/Supervisor Annual Review (Certified 4/1/89).

Inspector/Management Planner Annual Review (Certified 4/16/91).

Project Designer Annual Review (Certified 4/16/91).

(xx)(a) *Training Provider:* Global Waste System Inc.

Address: Smith Reynolds Airport Hangar 14, Winston Salem, NC 27105, Contact: Carl Reid, Phone: (919) 744-9382.

(b) *Approved Courses:*

Abatement Worker (Certified 3/2/90).

Abatement Worker Annual Review (Certified 3/1/90).

Contractor/Supervisor (Certified 3/2/90).

Contractor/Supervisor Annual Review (Certified 3/1/90).

(xxi)(a) *Training Provider:* Great Barrier Insulation Co.

Address: P.O. Box 70247, Mobile, AL 36607-8247, Contact: Thomas W. Knotts, Phone: (205) 478-0350.

(b) *Approved Course:*

Abatement Worker (Certified 12/8/89).

(xxii)(a) *Training Provider:* Hall-Kimbrell Environmental Services.

Address: 4840 West 15th St., P.O. Box 307, Lawrence, KS 66046, Contact: Steve Davis, Phone: (804) 270-7235.

(b) *Approved Courses:*

Abatement Worker (Certified 5/23/88).

Abatement Worker Annual Review (Certified 6/1/89).

Contractor/Supervisor (Certified 5/23/88).

Contractor/Supervisor Annual Review (Certified 6/1/89).

Inspector/Management Planner Annual Review (Certified 2/1/90).

(xxiii)(a) *Training Provider:* Harman Engineering Associates, Inc.

Address: 1550 Pumphrey Ave., Auburn, AL 36830, Contact: Dave Schrimsher, Phone: (205) 821-9250.

(b) *Approved Course:*

Abatement Worker (Certified 9/21/89).

(xxiv)(a) *Training Provider:* Hazard Abatement Consultants.

Address: 5 Breechwood Rd., Hampton, VA 23666, Contact: Thomas Priesman, Phone: (804) 825-0302.

(b) *Approved Course:*

Abatement Worker (Certified 6/1/89).

(xxv)(a) *Training Provider:* Hercules Aerospace Co.

Address: Radford Army Ammunition Plant, Caller Service 1, Radford, VA 24141-0299, Contact: Lance Hudnall, Phone: (703) 639-7730.

(b) *Approved Courses:*

Abatement Worker Annual Review (Certified 12/19/90).

Contractor/Supervisor Annual Review (Certified 12/19/90).

Inspector Annual Review (Certified 10/30/90).

(xxvi)(a) *Training Provider:* Hygienetics, Inc.

Address: 180 Canal St., Boston, MA 02114, Contact: Marybeth Carver, Phone: (617) 723-4664.

(b) *Approved Course:*

Inspector/Management Planner Annual Review (Certified 5/9/91).

(xxvii)(a) *Training Provider:* Ind-Tra-Co., Ltd.

Address: 511 W. Grace St., Richmond, VA 23220, Contact: Ernest Drew, Phone: (804) 648-7836.

(b) *Approved Courses:*

Abatement Worker (Certified 3/7/88).

Abatement Worker Annual Review (Certified 3/1/89).

Contractor/Supervisor (Certified 3/7/88).

Contractor/Supervisor Annual Review (Certified 3/1/89).

Inspector/Management Planner (Certified 3/7/88).

Inspector/Management Planner Annual Review (Certified 3/1/89).

(xxviii)(a) *Training Provider:*

Industrial Training & Support Services.

Address: P.O. Box 496, Lightfoot, VA 23090, Contact: Virginia Graham, Phone: (804) 565-3308.

(b) *Approved Courses:*

Abatement Worker (Certified 10/22/88).

Abatement Worker Annual Review (Certified 6/1/89).

Contractor/Supervisor (Certified 11/19/90).

Contractor/Supervisor Annual Review (Certified 6/1/89).

(xxix)(a) *Training Provider:* Institute for Environmental Education.  
Address: 500 West Cummings Pk., Suite 3650, Woburn, MA 01801, Contact: Starla L. Engelhardt, Phone: (617) 935-7370.

(b) *Approved Courses:*

Abatement Worker (Certification Pending).  
Abatement Worker Annual Review (Certified 2/1/90).  
Contractor/Supervisor (Certification Pending).  
Contractor/Supervisor Annual Review (Certified 12/1/89).  
Inspector (Certification Pending).  
Inspector/Management Planner Annual Review (Certified 12/27/89).

(xxx)(a) *Training Provider:* Jenkins Professionals Inc.

Address: 5502 Campbell Blvd., Suite F, Baltimore, MD 21236, Contact: Larry Jenkins, Phone: (301) 529-3553.

(b) *Approved Courses:*

Abatement Worker (Certified 12/27/89).  
Contractor/Supervisor (Certified 12/27/89).

(xxxi)(a) *Training Provider:* Laborers District Council of Virginia Training Trust Fund.

Address: 4191 Rochambeau Dr., Williamsburg, VA 23185, Contact: Roy Brightwell, Phone: (804) 564-8148.

(b) *Approved Courses:*

Abatement Worker (Certified 8/8/88).  
Abatement Worker Annual Review (Certified 6/1/89).

(xxxii)(a) *Training Provider:* META.  
Address: P.O. Box 1961, Lawrence, KS 66044, Contact: Katy Nitcher, Phone: (913) 842-6382.

(b) *Approved Courses:*

Abatement Worker Annual Review (Certified 3/1/90).  
Contractor/Supervisor Annual Review (Certified 3/1/90).

(xxxiii)(a) *Training Provider:* Marcus Environmental.

Address: 6345 Courthouse Rd., P.O. Box 227, Prince George, VA 23875, Contact: Marshall Marcus, Phone: (804) 733-1855.

(b) *Approved Courses:*

Abatement Worker (Certified 2/13/89).  
Contractor/Supervisor (Certified 2/13/89).

(xxxiv)(a) *Training Provider:* Maryland Center for Environmental Training-Charles County Community College.

Address: Mitchell Rd., P.O. Box 910, LaPlata, MD 20646-0910, Contact: Jake Bair, Phone: (301) 934-2251.

(b) *Approved Courses:*

Abatement Worker (Certified 5/19/89).  
Abatement Worker Annual Review (Certified 6/1/89).

Contractor/Supervisor (Certified 5/19/89).  
Contractor/Supervisor Annual Review (Certified 6/1/89).

(xxxv)(a) *Training Provider:* Medical College of Virginia, Dept. of Preventive Medicine.

Address: P.O. Box 212, Richmond, VA 23298, Contact: Leonard Vance, Phone: (804) 786-9785.

(b) *Approved Courses:*

Abatement Worker (Certified 12/8/87).  
Abatement Worker Annual Review (Certified 4/1/89).  
Contractor/Supervisor (Certified 3/8/87).

Contractor/Supervisor Annual Review (Certified 11/1/88).  
Inspector/Management Planner (Certified 12/8/87).

Inspector/Management Planner Annual Review (Certified 1/1/89).  
Project Designer (Certified 8/25/89).

(xxxvi)(a) *Training Provider:* Metropolitan Laboratories.

Address: P.O. Box 8921, Norfolk, VA 23503, Contact: Ethel Holmes, Phone: (804) 583-9444.

(b) *Approved Courses:*

Abatement Worker (Certified 8/4/88).  
Contractor/Supervisor (Certified 8/4/88).

(xxxvii)(a) *Training Provider:* National Asbestos Council, Inc.

Address: 1777 Northeast Expressway, Route 150, Atlanta, GA 30329, Contact: Cynthia Clavon, Phone: (404) 833-2622.

(b) *Approved Courses:*

Abatement Worker (Certified 3/1/88).  
Abatement Worker Annual Review (Certified 10/1/89).

(xxxviii)(a) *Training Provider:* Norfolk Shipbuilding & Dry Dock Co.

Address: P.O. Box 2100, Norfolk, VA 23501, Contact: Thomas Beacham, Phone: (804) 494-2940.

(b) *Approved Courses:*

Abatement Worker (Certified 6/15/88).  
Abatement Worker Annual Review (Certified 7/1/89).

(xxxix)(a) *Training Provider:* OMC.  
Address: 4451 Parliament Place, Lanham, MD 20706, Contact: Ellen J. Kite, Phone: (301) 308-0632.

(b) *Approved Courses:*

Abatement Worker (Certified 8/25/89).  
Abatement Worker Annual Review (Certified 8/17/90).

Contractor/Supervisor (Certified 8/25/89).  
Contractor/Supervisor Annual Review (Certified 8/17/90).

(xl)(a) *Training Provider:* Old Dominion University.

Address: Office of Health Sciences, Norfolk, VA 23529, Contact: Shirley Glover, Phone: (804) 683-4256.

(b) *Approved Courses:*

Abatement Worker (Certified 6/8/88).  
Abatement Worker Annual Review (Certified 5/1/89).

Contractor/Supervisor (Certified 6/8/88).

Contractor/Supervisor Annual Review (Certified 5/1/89).

Inspector/Management Planner (Certified 6/8/88).

Inspector/Management Planner Annual Review (Certified 4/1/89).

(xli)(a) *Training Provider:* Quality Specialties, Inc.

Address: One Westover Park, 501 Westover Ave., Hopewell, VA 23860, Contact: Bowen Hyatt, Phone: (804) 748-9637.

(b) *Approved Courses:*

Abatement Worker (Certified 5/17/88).  
Abatement Worker Annual Review (Certified 7/20/90).

(xlii)(a) *Training Provider:* Retra Services.

Address: 200 Oxford Blvd., Allison Park, PA 15101, Contact: David Sarvadi, Phone: (800) 229-8724.

(b) *Approved Courses:*

Abatement Worker (Certified 8/18/89).  
Abatement Worker Annual Review (Certified 2/1/90).

Contractor/Supervisor (Certified 10/22/90).

Contractor/Supervisor Annual Review (Certified 2/1/90).

(xliii)(a) *Training Provider:* Roy F. Weston, Inc.

Address: 1635 Pumphrey Ave., Auburn, AL 36830, Contact: Michael Skotnick, Phone: (205) 826-6100.

(b) *Approved Course:*

Inspector/Management Planner (Certified 12/27/89).

(xliv)(a) *Training Provider:* S.G. Brown, Inc.

Address: 2701 Sonic Dr., Virginia Beach, VA 23334, Contact: George Torrence, Phone: (804) 468-0027.

(b) *Approved Courses:*

Abatement Worker (Certified 6/10/88).  
Abatement Worker Annual Review (Certified 7/1/89).

Contractor/Supervisor Annual Review (Certified 7/1/89).

(xlv)(a) *Training Provider:* State Council of Carpenters of Virginia.

Address: 3801 Jefferson Davis Hwy., Richmond, VA 23234, Contact: Frank Hollis, Phone: (804) 275-0701.

**(b) Approved Courses:**

Abatement Worker (Certified 8/31/89).  
Abatement Worker Annual Review  
(Certified 10/9/90).

Contractor/Supervisor (Certified 8/31/89).

Contractor/Supervisor Annual Review  
(Certified 10/9/90).

(xlv)(a) *Training Provider:* T R C  
Environmental Consultants, Inc.

Address: 1725 K Street, NW.,  
Washington, DC 20006, Contact:  
Marian Meiselman, Phone: (202) 337-  
0307.

**(b) Approved Courses:**

Abatement Worker (Certified 12/4/90).  
Abatement Worker Annual Review

(Certified 1/31/91).

Contractor/Supervisor (Certified 12/4/90).

Contractor/Supervisor Annual Review  
(Certified 1/31/91).

Inspector/Management Planner Annual  
Review (Certified 2/7/91).

(xlvii)(a) *Training Provider:* The  
Environmental Institute.

Address: Cobb Corporate Center/300,  
350 Franklin Rd., Marietta, GA 30067,  
Contact: Rachel McCain, Phone: (404)  
425-2000.

**(b) Approved Course:**

Contractor/Supervisor Annual Review  
(Certified 12/1/89).

(xlviii)(a) *Training Provider:* The  
Francis L. Greenfield Institute.

Address: Route 6344, P.O. Box 217,  
Sterling, VA 22170, Contact: Bengamin  
Bostic, Phone: (703) 450-5950.

**(b) Approved Courses:**

Abatement Worker (Certified 10/10/88).  
Abatement Worker Annual Review

(Certified 10/1/89).

(xlix)(a) *Training Provider:* The  
Glaser Company.

Address: 200 Kanawha Terrace, St.  
Albans, WV 25177, Contact: Gina  
Silbaugh, Phone: (304) 722-2832.

**(b) Approved Courses:**

Abatement Worker Annual Review  
(Certified 6/1/90).

Contractor/Supervisor Annual Review  
(Certified 6/1/90).

(l)(a) *Training Provider:* Tidewater  
Community College.

Address: VA Beach Campus, 1700  
College Crescent, Virginia Beach, VA  
23456, Contact: Sam Lamb, Phone:  
(804) 427-7198.

**(b) Approved Course:**

Abatement Worker (Certified 3/21/89).

(li)(a) *Training Provider:* University of  
Virginia National Asbestos Council  
Division of Continuing Education.

Address: 106 Midmont Lake,  
Charlottesville, VA 22903, Contact:  
Gregory Pels, Phone: (804) 924-7114.

**(b) Approved Course:**

Abatement Worker (Certified 3/7/88).

(lii)(a) *Training Provider:* Waco, Inc.

Address: 4407 Theodore Green Blvd.,  
White Plains, MD 20695-0740, Contact:  
Wayne Cooper, Phone: (301) 870-3323.

**(b) Approved Courses:**

Abatement Worker (Certified 10/31/88).

Abatement Worker Annual Review  
(Certified 2/1/89).

Contractor/Supervisor (Certified 10/31/88).

Contractor/Supervisor Annual Review  
(Certified 2/1/89).

(liii)(a) *Training Provider:* White Lung  
Association.

Address: PO Box 1483, Baltimore, MD  
21203-1483, Contact: James Fite,  
Phone: (301) 243-5864.

**(b) Approved Courses:**

Inspector/Management Planner  
(Certified 7/11/88).

Inspector/Management Planner Annual  
Review (Certified 2/1/90).

**Washington**

(30)(a) *State Agency:* Washington  
Department of Labor and Industries,  
Division of Industrial Safety and Health,  
Address: 300 West Harrison St., Seattle,  
WA 98119, Contact: James Catalano,  
Phone: (206) 281-5325.

(b) *Approved Accreditation Program  
Disciplines:*

Abatement Worker (interim from 12/28/87).

Abatement Worker (full from 11/10/89).  
Contractor/Supervisor (interim from 12/28/87).

Contractor/Supervisor (full from 11/10/89).

(i)(a) *Training Provider:* Asbestos  
Training Project/Workplace Resources.

Address: 1906 Southeast Pershing St.,  
Portland, OR 97202, Contact: Wendy  
Wiles, Phone: (503) 233-7707.

**(b) Approved Courses:**

Abatement Worker (Certified 3/1/88).

Abatement Worker Annual Review  
(Certified 3/1/88).

(ii)(a) *Training Provider:* Bison  
Engineering/Research.

Address: 1020 S. 344th No. 204, Federal  
Way, WA 98003, Contact: Don Hurst,  
Phone: (206) 838-7261.

**(b) Approved Course:**

Abatement Worker (Certified 5/12/87 to  
5/12/89 only).

(iii)(a) *Training Provider:* Carpenters-  
Employers Apprenticeship & Training  
Trust Fund of Western Washington.

Address: P.O. Box 2228, Renton, WA  
98056, Contact: Emil Lippert Phone:  
(206) 255-3223.

**(b) Approved Courses:**

Abatement Worker (Certified 4/23/90).  
Abatement Worker Annual Review

(Certified 4/23/90).

(iv)(a) *Training Provider:* Chen-  
Northern, Inc.

Address: 600 South 25th St., P.O. Box  
30615, Billings, MT 59107, Contact:  
Kathleen Smit, Phone: (406) 248-9282.

**(b) Approved Course:**

Abatement Worker (Certified 12/22/88  
to 12/22/89 only).

(v)(a) *Training Provider:* Enviro-tec,  
Inc.

Address: 2825 - 152nd Ave. NE.,  
Redmond, WA 98052, Contact:  
Lawrence Short, Phone: (206) 867-5111.

**(b) Approved Course:**

Abatement Worker (Certified 6/22/88 to  
6/22/89 only).

(vi)(a) *Training Provider:*  
Environmental Health Sciences, Inc.

Address: 9 Lake Bellevue Bldg., Suite  
104, Bellevue, WA 98005, Contact:  
Robert Gilmore, Phone: (206) 455-2959.

**(b) Approved Courses:**

Abatement Worker (Certified 3/1/88).  
Abatement Worker Annual Review

(Certified 3/1/88).

Contractor/Supervisor (Certified 3/1/88).

Contractor/Supervisor Annual Review  
(Certified 7/5/91).

(vii)(a) *Training Provider:*  
Environmental Management, Inc.

Address: P.O. Box 91477, Anchorage, AK  
99509, Contact: Kenneth Johnson,  
Phone: (907) 272-8056.

**(b) Approved Course:**

Abatement Worker (Certified 1/1/89 to  
1/10/90 only).

(viii)(a) *Training Provider:*  
Environmental Management, Inc.

Address: P.O. Box 363, Wauna, WA  
98395, Contact: Ray Donahue, Phone:  
(206) 857-3222.

**(b) Approved Course:**

Abatement Worker (Certified 1/10/89 to  
1/10/90 only).

(ix)(a) *Training Provider:* Hazcon, Inc.

Address: 9500 SW. Barbur Blvd., Suite  
100, Portland, OR 97219, Contact:  
Harvey McGill, Phone: (503) 244-8045.

**(b) Approved Courses:**

Abatement Worker (Certified 3/1/88).  
Abatement Worker Annual Review

(Certified 3/1/88).

Contractor/Supervisor (Certified 11/1/89).

**Contractor/Supervisor Annual Review**  
(Certified 7/5/91).

(x)(a) *Training Provider:* Hazcon, Inc.  
Address: 4636 E. Marginal Way S., No. 215, Seattle, WA 98134, Contact: Mike Krause, Phone: (206) 763-7364.

(b) *Approved Courses:*

Abatement Worker (Certified 3/1/86).

Abatement Worker Annual Review  
(Certified 3/1/86).

Contractor/Supervisor (Certified 11/1/89).

Contractor/Supervisor Annual Review  
(Certified 7/5/91).

(xi)(a) *Training Provider:* Heavey Engineers, Inc.

Address: P.O. Box 832, Stevenson, WA 98648, Contact: Bernard Heavey, Phone: (509) 427-8936.

(b) *Approved Courses:*

Abatement Worker (Certified 11/7/87 to 8/1/89 only).

Abatement Worker Annual Review  
(Certified 7/1/88 to 8/1/89 only).

(xii)(a) *Training Provider:* Long Services.

Address: 8025 10th Ave. S., P.O. Box C 81435, Seattle, WA 98018-4498, Contact: Michael Cole, Phone: (206) 763-8422.

(b) *Approved Course:*

Abatement Worker (Certified 8/5/85).

(xiii)(a) *Training Provider:* M & M Environmental, Inc.

Address: 3902 N. 34th St., Tacoma, WA 98407, Contact: Mike Reid, Phone: (206) 759-3443.

(b) *Approved Courses:*

Abatement Worker (Certified 9/1/86 to 2/4/90 only).

Abatement Worker Annual Review  
(Certified 1/1/89 to 2/4/90 only).

(xiv)(a) *Training Provider:* NW Envirocon, Inc.

Address: 285 SW 41st, Renton, WA 98055, Contact: Ed Hemsley, Phone: (206) 251-6033.

(b) *Approved Courses:*

Abatement Worker (Certified 1/1/88).

Abatement Worker Annual Review  
(Certified 1/1/88).

Contractor/Supervisor (Certified 7/5/91).

(xv)(a) *Training Provider:* NW Envirocon, Inc.

Address: P.O. Box 4638, Vancouver, WA 98682, Contact: Debbie Dunn, Phone: (206) 699-4015.

(b) *Approved Courses:*

Abatement Worker (Certified 1/1/88).

Abatement Worker Annual Review  
(Certified 1/1/88).

Contractor/Supervisor (Certified 7/5/91).

(xvi)(a) *Training Provider:* NW Laborers - Employers Training Trust Fund.

Address: 27055 Ohio Ave., Kingston, WA 98348, Contact: Harold Avery, Phone: (206) 297-3035.

(b) *Approved Courses:*

Abatement Worker (Certified 8/1/85).

Abatement Worker Annual Review  
(Certified 8/1/85).

(xvii)(a) *Training Provider:* NW Washington Painting, Drywall Joint Apprenticeship Committee.

Address: 6770 E. Marginal Way S., Seattle, WA 98108, Contact: Paul Norling, Phone: (206) 762-8332.

(b) *Approved Courses:*

Abatement Worker (Certified 5/25/88 to 6/30/89 only).

Abatement Worker Annual Review  
(Certified 5/25/88 to 6/30/89 only).

(xviii)(a) *Training Provider:* National Training Fund for Sheet Metal & Air Conditioning Industry.

Address: 601 N. Fairfax St., Suite 240, Alexandria, VA 22304, Contact: Gerald Olejniczak, Phone: (202) 887-1980.

(b) *Approved Course:*

Abatement Worker (Certified 7/5/91).

(xix)(a) *Training Provider:* Oregon, Southern Idaho, Wyoming, SW Washington Apprenticeship.

Address: Route 5, Box 325A, Corvallis, OR 97330, Contact: Larry Porter or Bill Duke, Phone: (503) 745-5513.

(b) *Approved Courses:*

Abatement Worker (Certified 9/1/85).

Abatement Worker Annual Review  
(Certified 9/1/85).

(xx)(a) *Training Provider:* PSI, Inc. Hall-Kimbrell Division.

Address: 5319 SW. Westgate, No. 239, Portland, OR 97221, Contact: Kelly Champion, Phone: (503) 223-1440.

(b) *Approved Courses:*

Abatement Worker (Certified 6/1/88).

Abatement Worker Annual Review  
(Certified 6/1/88).

(xxi)(a) *Training Provider:* Prezant Associates, Inc.

Address: 711 6th Ave. N., Suite 200, Seattle, WA 98109, Contact: Sue Nelson, Phone: (206) 281-8858.

(b) *Approved Courses:*

Abatement Worker (Certified 6/1/88).

Abatement Worker Annual Review  
(Certified 6/1/88).

Contractor/Supervisor (Certified 9/1/89).

(xxii)(a) *Training Provider:* Seattle Area Roofers Joint Apprenticeship Committee.

Address: 2800 1st Ave., Rm. 318, Seattle, WA 98121, Contact: Pat Gilliland, Phone: (206) 728-2777.

(b) *Approved Course:*

Abatement Worker (Certified 1/26/90).

**West Virginia**

(31)(a) *State Agency:* West Virginia Dept. of Health and Human Resources, Bureau of Pub. Health Office of Environmental Services, Address: Asbestos Control Program, 151 11th Ave., South Charleston, WV 25303, Contact: Richard L. Peggs, Phone: (304) 348-0696.

(b) *Approved Accreditation Program Disciplines:*

Abatement Worker (full from 2/28/91).  
Contractor/Supervisor (full from 2/28/91).

Inspector (full from 2/28/91).

Inspector/Management Planner (full from 2/28/91).

Project Designer (full from 2/28/91).

(i)(a) *Training Provider:* Asbestos Workers Council.

Address: 1216 E. McMillian St., Room 107, Cincinnati, OH 45206, Contact: Richard Black, Phone: (513) 221-5969.

(b) *Approved Courses:*

Abatement Worker (Certified 6/25/91).

Abatement Worker Annual Review  
(Certified 6/25/91).

Contractor/Supervisor (Certified 6/25/91).

Contractor/Supervisor Annual Review  
(Certified 6/25/91).

(ii)(a) *Training Provider:* National Training Fund for the Sheet Metal & Air Conditioning Industry.

Address: 601 North Fairfax St., Suite 240, Alexandria, VA 22314, Contact: Gerald Olejniczak, Phone: (703) 739-7200.

(b) *Approved Courses:*

Contractor/Supervisor (Certified 6/25/91).

Contractor/Supervisor Annual Review  
(Certified 6/25/91).

(iii)(a) *Training Provider:* The Glaser Company.

Address: 200 Kanawha Terrace, St., Albans, WV 25177, Contact: Gina Silbaugh, Phone: (304) 722-2832.

(b) *Approved Courses:*

Abatement Worker Annual Review  
(Certified 6/24/91).

Contractor/Supervisor Annual Review  
(Certified 6/24/91).

(iv)(a) *Training Provider:* The J.O.B.S. Company.

Address: P.O. Box 3763, Charleston, WV 25337, Contact: Ann Hyre, Phone: (304) 344-0048.

**(b) Approved Courses:**

Abatement Worker (Certified 6/25/91).  
 Abatement Worker Annual Review (Certified 6/25/91).  
 Contractor/Supervisor (Certified 6/25/91).  
 Contractor/Supervisor Annual Review (Certified 6/25/91).  
 (v)(a) *Training Provider:* West Virginia Laborers Training Trust Fund.  
 Address: P.O. Box 6, Mineral Wells, WV 26150, Contact: Terence M. O'Sullivan, Phone: (304) 489-9665.

**(b) Approved Courses:**

Abatement Worker (Certified 6/25/91).  
 Abatement Worker Annual Review (Certified 6/8/91).  
 Contractor/Supervisor (Certified 6/25/91).  
 Contractor/Supervisor Annual Review (Certified 6/25/91).  
 (vi)(a) *Training Provider:* West Virginia University Extension Service.  
 Address: 704 Knapp Hall, P.O. Box 6031, Morgantown, WV 26506-6031, Contact: Robert L. Moore, Phone: (304) 293-4013.

**(b) Approved Courses:**

Abatement Worker (Certified 6/25/91).  
 Abatement Worker Annual Review (Certified 6/25/91).  
 Contractor/Supervisor (Certified 6/25/91).  
 Contractor/Supervisor Annual Review (Certified 6/25/91).  
 Inspector/Management Planner (Certified 6/25/91).  
 Inspector/Management Planner Annual Review (Certified 6/25/91).  
 Project Designer Annual Review (Certified 6/25/91).

**Wisconsin**

(32)(a) *State Agency:* Department of Health & Social Services Division of Health, Address: 1414 East Washington Ave., Rm. 117, Madison, WI 53703, Contact: Regina Cowell, Phone: (608) 267-2289.

**(b) Approved Accreditation Program Disciplines:**

Abatement Worker (full from 11/10/89).  
 Contractor/Supervisor (full from 11/10/89).  
 Inspector (full from 11/10/89).  
 Inspector/Management Planner (full from 11/10/89).  
 Project Designer (full from 11/10/89).

(i)(a) *Training Provider:* Aerostat Environmental Engineering.

Address: P.O. Box 3096, 2817 Atchison Ave., Lawrence, KS 66046, Contact: Joseph Stimac, Phone: (913) 749-4747.

**(b) Approved Course:**

Project Designer (Certified 4/9/90).

(ii)(a) *Training Provider:* Bay Shipbuilding Co.

Address: 605 N. 3rd Ave., Sturgeon Bay, WI 54235, Contact: Randy LaCrosse, Phone: (414) 746-3215.

**(b) Approved Courses:**

Abatement Worker (Certified 1/16/91).  
 Abatement Worker Annual Review (Certified 5/8/90).

(iii)(a) *Training Provider:* Biological & Environmental Control Laboratories Inc.

Address: 615 Front St., Toledo, OH 43605, Contact: James Burk, Phone: (419) 693-5307.

**(b) Approved Courses:**

Contractor/Supervisor (Certified 4/11/90).

Inspector/Management Planner (Certified 3/28/90).

(iv)(a) *Training Provider:* Brand Companies.

Address: 1420 Renaissance Dr., Park Ridge, IL 60068, Contact: Frank Barta, Phone: (708) 298-1200.

**(b) Approved Course:**

Abatement Worker (Certified 5/8/90).

(v)(a) *Training Provider:* Daniel J. Hartwig & Associates.

Address: P.O. Box 80, Oregon, WI 53575, Contact: Naomi Gray, Phone: (608) 835-5781.

**(b) Approved Courses:**

Abatement Worker (Certified 6/14/90).  
 Abatement Worker Annual Review (Certified 3/22/91).

Contractor/Supervisor (Certified 6/14/90).

Contractor/Supervisor Annual Review (Certified 3/22/91).

Inspector/Management Planner (Certified 1/8/90).

Inspector/Management Planner Annual Review (Certified 2/26/90).

(vi)(a) *Training Provider:* Good Armstrong and Associates.

Address: 7709 West Beloit Rd., Milwaukee, WI 53219, Contact: Bonnie Good, Phone: (414) 541-9740.

**(b) Approved Courses:**

Abatement Worker (Certified 9/1/90).

Abatement Worker Annual Review (Certified 9/1/90).

Contractor/Supervisor (Certified 9/1/90).

Contractor/Supervisor Annual Review (Certified 9/1/90).

Inspector/Management Planner (Certified 9/14/90).

Inspector/Management Planner Annual Review (Certified 9/14/90).

(vii)(a) *Training Provider:* Institute for Environmental Assessment.

Address: 433 Jackson St., Anoka, MN 55303, Contact: Bill Sloan, Phone: (800) 233-9513.

**(b) Approved Courses:**

Project Designer (Certified 2/7/91).  
 Project Designer Annual Review (Certified 2/7/91).

**(viii)(a) Training Provider:**

International Association of Heat & Frost, Local 19.

Address: 9401 W. Beloit Ave., Milwaukee, WI 53227, Contact: Joel Eckmann, Phone: (414) 321-9656.

**(b) Approved Courses:**

Abatement Worker (Certified 1/17/91).  
 Abatement Worker Annual Review (Certified 4/5/91).

Contractor/Supervisor (Certified 3/27/91).

Contractor/Supervisor Annual Review (Certified 4/5/91).

(ix)(a) *Training Provider:* Mayhew Environmental Training Associates, Inc. (META).

Address: 901 Kentucky, Suite 305, P.O. Box 786, Lawrence, KS 66044, Contact: Thomas Mayhew, Phone: (800) 444-6381.

**(b) Approved Courses:**

Abatement Worker (Certified 12/19/90).  
 Abatement Worker Annual Review (Certified 5/17/90).

Contractor/Supervisor (Certified 12/19/90).

Contractor/Supervisor Annual Review (Certified 8/17/90).

(x)(a) *Training Provider:* Milwaukee Asbestos Information Center MAIC.

Address: 2224 S. Kinnickinnic Dr., Milwaukee, WI 53207, Contact: Tom Ortell, Phone: (414) 747-0700.

**(b) Approved Courses:**

Abatement Worker (Certified 7/30/90).  
 Abatement Worker Annual Review (Certified 10/17/90).

Contractor/Supervisor (Certified 7/30/90).

Contractor/Supervisor Annual Review (Certified 10/17/90).

Inspector/Management Planner (Certified 12/6/90).

Inspector/Management Planner Annual Review (Certified 12/6/90).

Project Designer (Certified 8/27/90).  
 Project Designer Annual Review (Certified 8/27/90).

(xi)(a) *Training Provider:* National Asbestos Council (NAC).

Address: 1777 Northeast Expressway, Suite 150, Atlanta, GA 30329, Contact: Raymond McQueen, Phone: (404) 633-2622.

**(b) Approved Courses:**

Abatement Worker (Certified 5/8/90).  
 Abatement Worker Annual Review (Certified 5/8/90).



(xii)(a) *Training Provider:* Northland Environmental Services Inc.

Address: 15 Park Ridge Dr., Stevens Point, WI 54481, Contact: Robert Voborsky, Phone: (715) 341-9699.

(b) *Approved Courses:*

Abatement Worker (Certified 7/11/90).  
Abatement Worker Annual Review (Certified 7/11/90).

Contractor/Supervisor (Certified 7/11/90).

Contractor/Supervisor Annual Review (Certified 7/11/90).

Inspector/Management Planner (Certified 10/22/90).

Inspector/Management Planner Annual Review (Certified 2/6/91).

(xiii)(a) *Training Provider:* PSI-Hall-Kimbrell.

Address: 72 Executive Dr., Suite 434, Aurora, IL 60504-8137, Contact: Greg Corder, Phone: (708) 898-9414.

(b) *Approved Courses:*

Abatement Worker (Certified 6/27/90).  
Abatement Worker Annual Review (Certified 6/27/90).

Contractor/Supervisor (Certified 6/27/90).

Contractor/Supervisor Annual Review (Certified 6/27/90).

(xiv)(a) *Training Provider:* University of Wisconsin College of Engineering.

Address: 432 N. Lake Dr., Madison, WI 53706, Contact: Michael Waxman, Phone: (608) 262-2101.

(b) *Approved Courses:*

Project Designer (Certified 11/5/90).  
Project Designer Annual Review (Certified 11/5/90).

(xv)(a) *Training Provider:* Wisconsin Asbestos Advisory Team, Inc. (WAAT).  
Address: North 9420 Lakeshore Dr., Van Dyne, WI 54979, Contact: Jerry Martin, Phone: (800) 236-8123.

(b) *Approved Courses:*

Abatement Worker (Certified 4/23/90).  
Abatement Worker Annual Review (Certified 3/15/91).

Contractor/Supervisor (Certified 4/6/90).

Contractor/Supervisor Annual Review (Certified 3/15/91).

(xvi)(a) *Training Provider:* Wisconsin Laborers Training Center.

Address: P.O. Box 150, Route 1, Almond, WI 54909, Contact: Dean Jensen, Phone: (715) 366-8221.

(b) *Approved Courses:*

Abatement Worker (Certified 4/2/90).  
Abatement Worker Annual Review (Certified 4/2/90).

Contractor/Supervisor (Certified 10/16/90).

Contractor/Supervisor Annual Review (Certified 4/2/90).

## EPA-Approved Training Courses

### REGION I -- Boston, MA

*Regional Asbestos Coordinator:* James Bryson, EPA, Region I, Air and Management Division (APT-2311), JFK Federal Building, Boston, MA 02203. (617) 565-3835, (FTS) 835-3836.

*List of Approved Courses:* The following training courses have been approved by EPA. The courses are listed under (b). This approval is subject to the level of certification indicated after the course name. Training Providers are listed in alphabetical order and do not reflect a prioritization. Approvals for Region I training courses and contact points for each, are as follows:

(1)(a) *Training Provider:* Applied Occupational Health Systems.

Address: P.O. Box 894, Concord, NH 03301, Contact: Gegorey B. Stevenson, Phone: (603) 228-3610.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/13/90).

Abatement Worker Refresher Course (contingent from 7/20/90).

Contractor/Supervisor (contingent from 3/13/90).

Contractor/Supervisor (full from 4/22/91).

Contractor/Supervisor Refresher Course (contingent from 7/20/90).

Inspector/Management Planner (contingent from 1/29/90).

Inspector/Management Planner Refresher Course (contingent from 7/19/90).

(2)(a) *Training Provider:* Brooks Safe & Sound, Inc.

Address: 44 Codfish Ln., Weston, CT 06883, Contact: Keith Brooks, Phone: (203) 226-6970.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/27/89).

Abatement Worker Refresher Course (contingent from 5/25/89).

Abatement Worker Refresher Course (full from 2/7/91).

Contractor/Supervisor (contingent from 11/27/89).

Inspector/Management Planner (contingent from 11/1/89).

Inspector/Management Planner Refresher Course (contingent from 11/1/89).

(3)(a) *Training Provider:* Con-Test, Inc.

Address: P.O. Box 591, East Longmeadow, MA 01028, Contact: Brenda Bolduc, Phone: (413) 525-1198.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/2/87).

Abatement Worker Refresher Course (full from 11/22/88).

Contractor/Supervisor (contingent from 10/2/87).

Contractor/Supervisor Refresher Course (contingent from 10/2/87).

Contractor/Supervisor Refresher Course (full from 12/21/88).

Inspector/Management Planner (contingent from 10/2/87).

Inspector/Management Planner Refresher Course (contingent from 10/2/87).

Inspector/Management Planner Refresher Course (full from 2/1/89).

(4)(a) *Training Provider:* Ecosystems, Inc.

Address: 2 Deerwood Rd., Westport, CT 06880, Contact: Richard Doyle, Phone: (203) 226-4421.

(b) *Approved Course:*

Contractor/Supervisor (contingent from 10/5/87).

(5)(a) *Training Provider:* Enviromed Services, Inc.

Address: 25 Science Park, New Haven, CT 06511, Contact: Lawrence J. Cannon, Phone: (203) 786-5580.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/8/88).

Abatement Worker (full from 1/12/90).

Abatement Worker Refresher Course (contingent from 6/19/89).

Abatement Worker Refresher Course (full from 6/12/91).

Contractor/Supervisor (contingent from 2/23/89).

Contractor/Supervisor (full from 1/12/90).

Contractor/Supervisor Refresher Course (contingent from 6/19/89).

Contractor/Supervisor Refresher Course (full from 6/12/91).

Inspector/Management Planner (contingent from 1/30/89).

(6)(a) *Training Provider:* Environmental Training Services Inc.

Address: 62-H Montvale Pl., Stoneham, MA 02180, Contact: Maryann Martin, Phone: (617) 279-0855.

(b) *Approved Course:*

Abatement Worker (contingent from 4/22/88).

(7)(a) *Training Provider:* Hygienetics, Inc.

Address: 150 Causeway St., Boston, MA 02114, Contact: Mary Beth Carver, Phone: (617) 723-4664.

(b) *Approved Course:*

Inspector (contingent from 10/2/87).

(8)(a) *Training Provider:* Industrial Health & Safety Consultants, Inc.

Address: 915 Bridgeport Ave., Shelton, CT 06484, Contact: Angela D. Rath, Phone: (203) 929-1131.

**(b) Approved Courses:**

Abatement Worker (contingent from 5/15/89).  
 Abatement Worker Refresher Course (contingent from 6/19/89).  
 Abatement Worker Refresher Course (full from 6/12/91).  
 Contractor/Supervisor (contingent from 5/12/89).  
 Contractor/Supervisor Refresher Course (contingent from 6/19/89).  
 Inspector/Management Planner (contingent from 11/1/89).  
 Inspector/Management Planner Refresher Course (contingent from 11/1/89).

(9)(a) *Training Provider:* Institute for Environmental Education.  
 Address: 500 West Cummings Pk, Suite 3650, Woburn, MA 01801, Contact: Starla L. Engelhardt, Phone: (617) 935-7370.

**(b) Approved Courses:**

Abatement Worker (contingent from 4/28/88).  
 Abatement Worker Refresher Course (full from 11/3/88).  
 Contractor/Supervisor (full from 9/18/87).  
 Contractor/Supervisor Refresher Course (full from 11/3/88).  
 Inspector/Management Planner (contingent from 10/2/87).  
 Inspector/Management Planner Refresher Course (contingent from 10/31/88).  
 Project Designer (contingent from 2/28/89).  
 Project Designer (full from 6/7/90).  
 Project Designer Refresher Course (contingent from 8/8/89).  
 Project Designer Refresher Course (full from 4/5/90).

**(10)(a) Training Provider:**

International Association of Heat & Frost Insulators & Asbestos Workers Local Union No. 33.  
 Address: 15 South Elm St., Wallingford, CT 06492, Contact: Joseph V. Soli, Phone: (203) 265-3547.

**(b) Approved Course:**

Contractor/Supervisor (contingent from 7/27/88).

**(11)(a) Training Provider:** Maine Labor Group on Health, Inc.

Address: P.O. Box V, Augusta, ME 04332-1042, Contact: Diana White, Phone: (207) 622-7823.

**(b) Approved Courses:**

Abatement Worker (contingent from 8/11/87).  
 Abatement Worker (full from 3/22/90).  
 Abatement Worker Refresher Course (contingent from 10/17/88).  
 Abatement Worker Refresher Course (full from 5/25/90).

Contractor/Supervisor (contingent from 5/18/87).

Contractor/Supervisor (full from 3/2/90).

Contractor/Supervisor Refresher Course (full from 3/26/88).

(12)(a) *Training Provider:* New England Laborers Training Trust Fund.  
 Address: Route 97 & Murdock Rd., P.O. Box 77, Pomfret Center, CT 06259, Contact: Gennaro Lepore, Phone: (203) 974-1455.

**(b) Approved Course:**

Abatement Worker (contingent from 5/25/89).

(13)(a) *Training Provider:* New England Laborers Training Trust Fund.  
 Address: 37 East St., Hopkinton, MA 01748-2699, Contact: Jim Merloni, Jr., Phone: (617) 435-6316.

**(b) Approved Courses:**

Abatement Worker (contingent from 10/5/87).

Abatement Worker Refresher Course (contingent from 5/20/88).

(14)(a) *Training Provider:* Radiation Safety Associates, Inc.

Address: P.O. Box 107, 10 Pendleton Dr., Hebron, CT 06248, Contact: K. Paul Steinmeyer, Phone: (203) 228-0487.

**(b) Approved Courses:**

Contractor/Supervisor (contingent from 5/16/89).

Inspector/Management Planner (contingent from 5/16/89).

(15)(a) *Training Provider:* Tufts University Asbestos Information Center.  
 Address: 474 Boston Ave., Medford, MA 02155, Contact: Anne Chabot, Phone: (617) 381-3531.

**(b) Approved Courses:**

Contractor/Supervisor (interim from 9/1/85 to 5/31/87).

Contractor/Supervisor (full from 6/1/87).

Inspector/Management Planner (full from 11/16/87).

**REGION II -- Edison, NJ**

*Regional Asbestos Coordinator:* Louis Bevilacqua EPA, Region II, 2890 Woodbridge Ave., Raritan Depot, Bldg. 5, (MS-500), Edison, NJ 08837. (201) 321-6793, (FTS) 340-6793.

*List of Approved Courses:* The following training courses have been approved by EPA. The courses are listed under (b). This approval is subject to the level of certification indicated after the course name. Training Providers are listed in alphabetical order and do not reflect a prioritization. Approvals for Region II training courses and contact points for each, are as follows:

(1)(a) *Training Provider:* ATC Environmental, Inc.

Address: 104 East 25th St., New York, NY 10010, Contact: David V. Chambers, Phone: (212) 353-8280.

**(b) Approved Courses:**

Abatement Worker (full from 11/7/88).  
 Contractor/Supervisor (full from 11/7/88).

Inspector/Management Planner (contingent from 6/5/88).

Inspector/Management Planner (full from 3/6/89).

(2)(a) *Training Provider:* Abatement Safety Training Institute.

Address: 323 West 39th St., New York, NY 10018, Contact: Rosemarie Bascianilli, Phone: (212) 629-8400.

**(b) Approved Courses:**

Abatement Worker (contingent from 10/25/88).

Abatement Worker (full from 12/11/89).  
 Contractor/Supervisor (contingent from 10/25/88).

Contractor/Supervisor (full from 2/9/90).

Inspector/Management Planner (contingent from 3/9/88).

Inspector/Management Planner (full from 3/21/88).

Inspector/Management Planner Refresher Course (contingent from 1/11/89).

Inspector/Management Planner Refresher Course (full from 1/30/89).

(3)(a) *Training Provider:* Adelaide Environmental Health Associates.

Address: 61 Front St., Binghamton, NY 13905-4705, Contact: William S. Carter, Phone: (607) 722-6839.

**(b) Approved Course:**

Abatement Worker (contingent from 11/14/88).

(4)(a) *Training Provider:* Albany Environmental Technologies (A.E. Technologies).

Address: P.O. Box 1346, Schenectady, NY 12301, Contact: Kevin Pilgrim, Phone: (518) 374-4801.

**(b) Approved Courses:**

Abatement Worker (contingent from 6/8/89).

Contractor/Supervisor (contingent from 6/8/89).

(5)(a) *Training Provider:* Allegheny Council on Occupational Health.

Address: 100 East Second St., Suite 3, Jamestown, NY 14701, Contact: Linda Berlin, Phone: (716) 488-0720.

**(b) Approved Course:**

Abatement Worker (contingent from 7/26/89 to 4/9/91 only).

(6)(a) *Training Provider:* Allwash of Syracuse, Inc.

Address: P.O. Box 605, Syracuse, NY 13201, Contact: Paul D. Watson, Phone: (315) 454-4476.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/16/87).

Abatement Worker (full from 12/7/88).

Abatement Worker Refresher Course (contingent from 12/15/88).

Contractor/Supervisor (contingent from 1/30/89).

Contractor/Supervisor Refresher Course (contingent from 10/17/89).

(7)(a) *Training Provider:* Alternative Ways, Inc. Educational Services.

Address: 100 Essex Ave., Bellmawr, NJ 08031, Contact: James Mitchell, Phone: (609) 933-3300.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/11/88).

Abatement Worker (full from 12/1/89).

Contractor/Supervisor (contingent from 4/11/88).

Contractor/Supervisor (full from 12/1/89).

Inspector/Management Planner (contingent from 4/22/88).

Inspector/Management Planner (full from 5/26/88).

Inspector/Management Planner Refresher Course (contingent from 1/18/89).

Inspector/Management Planner Refresher Course (full from 2/14/90).

(8)(a) *Training Provider:* Anderson International.

Address: RD 2, North Main Street Extension, Jamestown, NY 14701, Contact: Sally L. Gould, Phone: (716) 664-4028.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/29/88).

Abatement Worker (full from 9/23/90).

Contractor/Supervisor (contingent from 12/29/88).

Contractor/Supervisor (full from 9/24/90).

(9)(a) *Training Provider:* Applied Respiratory Technology.

Address: Pemco - Corp Building, Rd 1, Box 310 C, Route 9, Cold Spring, NY 10516, Contact: Susan M. Schlager, Phone: (914) 431-6421.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/11/88).

Abatement Worker (full from 11/28/88).

Abatement Worker Refresher Course (contingent from 10/19/88).

Abatement Worker Refresher Course (full from 11/21/90).

Contractor/Supervisor (contingent from 8/11/88).

Contractor/Supervisor (full from 11/28/88).

Contractor/Supervisor Refresher Course (contingent from 10/31/88).

(10)(a) *Training Provider:* Asbestos Control Management, Inc.

Address: 126 South Third St., Olean, NY 14760, Contact: Clar D. Anderson, Phone: (716) 372-6393.

(b) *Approved Course:*

Abatement Worker (contingent from 5/5/89).

(11)(a) *Training Provider:* Asbestos Training Academy, Inc.

Address: 218 Cooper Center, Pennsauken, NJ 08109, Contact: S. J. Sieracki, Phone: (609) 488-9200.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/15/88 to 12/28/90 only).

Abatement Worker (full from 11/7/88 to 12/28/90 only).

Contractor/Supervisor (contingent from 9/15/88 to 12/28/90 only).

Contractor/Supervisor (full from 11/7/88 to 12/28/90 only).

Inspector (contingent from 4/27/89 to 12/28/90 only).

Inspector (full from 1/24/90 to 12/28/90 only).

(12)(a) *Training Provider:* Asteco, Inc.

Address: 140 Telegraph Rd., P.O. Box 179, Middleport, NY 14105, Contact: Claudine R. Larocque, Phone: (716) 735-3894.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/1/88 to 4/9/91 only).

Abatement Worker (full from 4/13/88 to 4/9/91 only).

Abatement Worker Refresher Course (contingent from 12/20/88 to 4/9/91 only).

(13)(a) *Training Provider:* Astoria Industries, Inc.

Address: 538 Stewart Ave., Brooklyn, NY 11222, Contact: Gary DiPaolo, Jr., Phone: (718) 387-0011.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/8/88).

Abatement Worker (full from 4/18/88).

Contractor/Supervisor (contingent from 9/20/89).

Contractor/Supervisor (full from 1/4/90).

Inspector (contingent from 1/18/89).

(14)(a) *Training Provider:* BOCES-Albany-Schoharie-Schenectady Counties.

Address: 47 Cornell Rd., Latham, NY 12110, Contact: Charlene Vespi, Phone: (518) 786-3211.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/20/89).

Abatement Worker (full from 3/7/90).

Abatement Worker Refresher Course (contingent from 7/31/89).

Contractor/Supervisor (contingent from 7/20/89).

Inspector/Management Planner (full from 1/26/90).

Inspector/Management Planner Refresher Course (contingent from 10/6/89).

(15)(a) *Training Provider:* BOCES-Cayuga-Onondaga Counties.

Address: 234 South St. Rd., Auburn, NY 13021, Contact: Peter Pirnie, Phone: (315) 253-0361.

(b) *Approved Course:*

Abatement Worker (contingent from 6/17/88).

(16)(a) *Training Provider:* BOCES-Schuyler, Chemung, Tioga Counties.

Address: 431 Philo Road, Elmira, NY 14903, Contact: L. Eugene Ferro, Phone: (607) 739-3581.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/1/89).

Abatement Worker Refresher Course (contingent from 6/1/89).

Abatement Worker Refresher Course (full from 7/31/90).

Contractor/Supervisor (contingent from 6/1/89).

Contractor/Supervisor Refresher Course (contingent from 6/1/89).

Contractor/Supervisor Refresher Course (full from 7/31/90).

Inspector/Management Planner Refresher Course (contingent from 6/1/89).

Inspector/Management Planner Refresher Course (full from 4/18/90).

(17)(a) *Training Provider:* Board of Cooperative Educational Services (BOCES) No. 3.

Address: 507 Deer Park Rd., Dix Hills, NY 11746, Contact: Ciro Aiello, Phone: (516) 667-6000 Ext. 300.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/6/89).

Abatement Worker (full from 11/27/89).

Contractor/Supervisor (contingent from 2/6/89).

(18)(a) *Training Provider:* Board of Cooperative Educational Services of Rensselaer, Columbia & Green Counties of New York.

Address: Brookview Rd., P.O. Box 26, Brookview, NY 12026, Contact: Paul D. Bowler, Phone: (518) 732-7266.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/10/89).

Abatement Worker (full from 3/22/90).

Inspector/Management Planner (contingent from 4/10/89).

(19)(a) *Training Provider:* Board of Cooperative Educational Services-Suffolk County Boces 2, Adult Occup. & Continuing Ed.

Address: 375 Locust Ave., Oakdale, NY 11769, Contact: Edward J. Milliken, Phone: (516) 563-6159.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/27/89).

Abatement Worker (full from 10/11/90).

Abatement Worker Refresher Course (contingent from 6/16/89).

Abatement Worker Refresher Course (full from 5/17/90).

Contractor/Supervisor (contingent from 3/27/89).

Contractor/Supervisor (full from 5/9/90).

Contractor/Supervisor Refresher Course (contingent from 6/16/89).

(20)(a) *Training Provider:* Branch Services, Inc.

Address: 1255 Lakeland Ave., Bohemia, NY 11716, Contact: Luis Sanders, Phone: (516) 563-7300.

(b) *Approved Course:*

Abatement Worker (contingent from 6/1/89).

(21)(a) *Training Provider:* Buffalo Laborers Training Fund.

Address: 1370 Seneca St., Buffalo, NY 14210-1647, Contact: Victor J. Sansanese, Phone: (716) 825-0883.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/30/88).

Abatement Worker (full from 3/9/90).

Abatement Worker Refresher Course (contingent from 8/8/89).

(22)(a) *Training Provider:* Building Laborers Local Union No. 17.

Address: P.O. Box 252, Vails Gate, NY 12584, Contact: Victor P. Mandia, Phone: (914) 562-1121.

(b) *Approved Course:*

Abatement Worker (contingent from 10/31/88).

(23)(a) *Training Provider:* Calibrations, Inc.

Address: 802 Watervliet - Shaker Rd., Latham, NY 12110, Contact: James Percent, Phone: (518) 786-1865.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/28/88).

Abatement Worker (full from 12/5/88).

Abatement Worker Refresher Course (contingent from 3/6/89).

Abatement Worker Refresher Course (full from 9/6/90).

Contractor/Supervisor (contingent from 9/28/88).

Contractor/Supervisor (full from 12/5/88).

Contractor/Supervisor Refresher Course (contingent from 3/6/89).

Inspector/Management Planner (contingent from 9/28/88).

Inspector/Management Planner (full from 1/26/90).

Inspector/Management Planner Refresher Course (contingent from 3/6/89).

Inspector/Management Planner Refresher Course (full from 5/2/90).

Project Designer (full from 5/23/88).

Project Designer Refresher Course (contingent from 3/6/89).

(24)(a) *Training Provider:*

Comprehensive Analytical Group.

Address: 147 Midler Park Dr., Syracuse, NY 13206, Contact: Susan Richardson, Phone: (315) 432-1332.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/9/89).

Abatement Worker (full from 2/16/90).

Abatement Worker Refresher Course (contingent from 4/25/89).

Abatement Worker Refresher Course (full from 3/27/90).

Contractor/Supervisor (contingent from 3/29/89).

Contractor/Supervisor (full from 2/16/90).

Contractor/Supervisor Refresher Course (contingent from 5/18/89).

Contractor/Supervisor Refresher Course (full from 3/27/90).

Inspector (contingent from 10/27/89).

(25)(a) *Training Provider:* Ecology & Environment, Inc.

Address: Buffalo Corporate Center, 368 Pleasantview Dr., Lancaster, NY 14086, Contact: Thomas G. Siener, Phone: (716) 684-8060.

(b) *Approved Course:*

Inspector/Management Planner Refresher Course (contingent from 4/7/89).

(26)(a) *Training Provider:* Education & Training Fund Laborers' Local No. 91.

Address: 2556 Seneca Ave., Niagra Falls, NY 14305, Contact: Joel Cicero, Phone: (716) 297-6001.

(b) *Approved Courses:*

Abatement Worker (full from 7/27/87).

Abatement Worker Refresher Course (contingent from 10/20/88).

Abatement Worker Refresher Course (full from 10/22/88).

(27)(a) *Training Provider:* Edward O. Watts & Associates.

Address: 1331 North Forest Rd., Suite 340, Buffalo, NY 14221, Contact: Edward O. Watts, Phone: (716) 688-4827.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/4/89).

Abatement Worker (full from 1/20/90).

Abatement Worker Refresher Course (contingent from 3/3/89).

Contractor/Supervisor (contingent from 7/12/89).

Contractor/Supervisor (full from 1/20/90).

Contractor/Supervisor Refresher Course (contingent from 3/3/89).

(28)(a) *Training Provider:*

Environmental Training, Inc.

Address: 65 Barclay Center, Rte 70, Suite 305, Cherry Hill, NJ 08034, Contact: Gary D. Hyrne, Phone: (609) 665-7470.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/1/89).

Abatement Worker Refresher Course (contingent from 6/29/89).

Contractor/Supervisor (contingent from 3/1/89).

Contractor/Supervisor Refresher Course (contingent from 6/29/89).

(29)(a) *Training Provider:* Envotech Center for Environmental Vocational Training.

Address: 1225 Ridgeway Ave., Rochester, NY 14615, Contact: Mario DiNottia, Phone: (716) 458-8700.

(b) *Approved Courses:*

Abatement Worker (contingent from 5/8/89).

Abatement Worker (full from 1/25/90).

(30)(a) *Training Provider:* General Bldg. Laborer's Local Union No. 66.

Address: 288 Middle Island Rd., Medford, NY 11763, Contact: Peter Purrazzella, Phone: (516) 696-2280.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/10/89).

Abatement Worker (full from 12/1/89).

(31)(a) *Training Provider:* Hazardous Waste Management Corp. Training Center of Buffalo, New York.

Address: 3816 Union Rd., Buffalo, NY 14225-5301, Contact: Donald Larder, Phone: (716) 634-3000.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/31/88 to 4/9/91 only).

Contractor/Supervisor (contingent from 10/31/88 to 4/9/91 only).

(32)(a) *Training Provider:* Hudson Asbestos Training Institute.

Address: 604 Manhattan Ave., Brooklyn, NY 11222, Contact: Henry Kawiorski, Phone: (718) 383-2656.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/30/89).

Abatement Worker (full from 3/13/89).

Contractor/Supervisor (contingent from 1/30/89).

(33)(a) *Training Provider:* Hunter College Asbestos Training Center.  
Address: 425 East 25th St., New York, NY 10010, Contact: Jack Caravanos, Phone: (212) 481-7569.

(b) *Approved Courses:*

Abatement Worker (full from 7/1/88).  
Abatement Worker Refresher Course (contingent from 6/20/89).  
Contractor/Supervisor (full from 7/1/88).  
Contractor/Supervisor Refresher Course (contingent from 6/20/89).  
Inspector/Management Planner (contingent from 12/21/89).

(34)(a) *Training Provider:* Hygeia Research & Training.  
Address: P.O. Box 4506, Utica, NY 13501, Contact: Richard A. Gigliotti, Phone: (315) 732-8567.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/9/88).  
Abatement Worker (full from 5/6/88).  
Abatement Worker Refresher Course (contingent from 12/12/88).  
Abatement Worker Refresher Course (full from 1/17/90).  
Contractor/Supervisor (contingent from 1/26/89).  
Contractor/Supervisor (full from 3/8/90).  
Contractor/Supervisor Refresher Course (contingent from 12/20/88).  
Contractor/Supervisor Refresher Course (full from 1/17/90).

(35)(a) *Training Provider:* Institute of Asbestos Awareness.

Address: 2 Heitz Pl., Suite 1000, Hicksville, NY 11801, Contact: Henry R. Clegg, Phone: (516) 937-1600.

(b) *Approved Courses:*

Abatement Worker (full from 10/24/88 to 10/12/90 only).  
Abatement Worker Refresher Course (contingent from 3/8/89 to 10/12/90 only).  
Contractor/Supervisor (full from 10/24/88 to 10/12/90 only).  
Contractor/Supervisor Refresher Course (contingent from 3/8/89 to 10/12/90 only).  
Inspector/Management Planner (contingent from 9/28/88 to 10/12/90 only).  
Inspector/Management Planner (full from 3/2/89 to 10/12/90 only).  
Inspector/Management Planner Refresher Course (contingent from 3/8/89 to 10/12/90 only).  
Project Designer (contingent from 9/28/89 to 10/12/90 only).

(36)(a) *Training Provider:* Institute of Asbestos Technology Corp.

Address: 5900 Butternut Dr., East Syracuse, NY 13057, Contact: Charles Kirch, Phone: (315) 437-1307.

(b) *Approved Courses:*

Abatement Worker (contingent from 5/18/88).  
Abatement Worker (full from 6/27/88).  
Abatement Worker Refresher Course (contingent from 12/20/88).  
Abatement Worker Refresher Course (full from 6/15/90).  
Contractor/Supervisor (contingent from 4/7/89).  
Contractor/Supervisor Refresher Course (contingent from 6/8/89).  
Inspector/Management Planner (contingent from 10/19/89).  
Inspector/Management Planner Refresher Course (contingent from 10/27/89).

(37)(a) *Training Provider:* Kaselaan & D'Angelo Associates, Inc.

Address: 220 Fifth Ave., New York, NY 10001, Contact: Lance Fredericks, Phone: (212) 216-6340.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/15/89).  
Abatement Worker (full from 3/16/90).  
Contractor/Supervisor (contingent from 3/27/89).  
Inspector/Management Planner (contingent from 2/12/88).  
Inspector/Management Planner (full from 3/7/88).  
Inspector/Management Planner Refresher Course (full from 4/27/89).

(38)(a) *Training Provider:* Korean Asbestos Training Center.

Address: 136 -15 Roosevelt Ave., 3rd Floor, Flushing, NY 11354, Contact: Tchang S. Bahrk, Phone: (718) 321-2700.

(b) *Approved Courses:*

Abatement Worker (contingent from 5/11/89).  
Abatement Worker (full from 4/25/90).  
Abatement Worker Refresher Course (contingent from 5/22/89).  
Abatement Worker Refresher Course (full from 4/19/90).  
Contractor/Supervisor (contingent from 5/11/89).  
Contractor/Supervisor (full from 5/19/90).  
Contractor/Supervisor Refresher Course (contingent from 5/22/89).

(39)(a) *Training Provider:* Laborers Local Union No. 214 of Oswego New York & Vicinity Training & Education Fund.

Address: 23 Mitchell St., Oswego, NY 13128, Contact: John T. Shannon, Phone: (315) 343-8553.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/1/88).  
Abatement Worker (full from 1/23/89).  
Abatement Worker Refresher Course (contingent from 2/15/89).

Contractor/Supervisor (contingent from 10/7/89).

(40)(a) *Training Provider:* Lozier Architects/Engineers.

Address: 600 Perinton Hills, Fairport, NY 14450, Contact: Dyke Coyne, Phone: (716) 223-7610.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/12/89).  
Abatement Worker Refresher Course (contingent from 7/12/89).

(41)(a) *Training Provider:* McDonnell-Gamble Environmental Services, Inc.

Address: 444 Park Ave. South, 5th Fl., Suite 503, New York, NY 10016, Contact: Yelena Goodman, Phone: (212) 545-1122.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/15/88).  
Abatement Worker (full from 12/5/88).  
Abatement Worker Refresher Course (contingent from 8/25/89).  
Abatement Worker Refresher Course (full from 3/7/90).  
Contractor/Supervisor (contingent from 10/18/88).  
Contractor/Supervisor (full from 12/5/88).

(42)(a) *Training Provider:* Monroe Community College of Rochester, New York.

Address: P.O. Box 9720, Rochester, NY 14623-0720, Contact: Dusty Swanger, Phone: (716) 424-5200.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/7/88).  
Abatement Worker (full from 4/26/89).

(43)(a) *Training Provider:* National Asbestos and Environmental Training Institute.

Address: 1776 Bloomsbury Ave., Ocean, NJ 07712, Contact: Doris L. Adler, Phone: (201) 918-0610.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/3/89).  
Abatement Worker (full from 12/1/89).  
Abatement Worker Refresher Course (contingent from 10/20/89).  
Abatement Worker Refresher Course (full from 1/31/90).  
Contractor/Supervisor (contingent from 11/3/89).  
Contractor/Supervisor (full from 12/1/89).  
Contractor/Supervisor Refresher Course (contingent from 10/20/89).  
Contractor/Supervisor Refresher Course (full from 1/31/90).  
Inspector/Management Planner (contingent from 6/13/88).

Inspector/Management Planner (full from 4/17/89).

Inspector/Management Planner Refresher Course (contingent from 5/25/89).

Inspector/Management Planner Refresher Course (full from 1/31/90).

Project Designer (contingent from 11/3/89).

Project Designer (full from 2/7/90).

Project Designer Refresher Course (contingent from 10/20/89).

Project Designer Refresher Course (full from 7/13/90).

(44)(a) *Training Provider*: National Institute on Abatement Science & Technology (NIAST).

Address: 114 West State St., P.O. Box 1780, Trenton, NJ 08607-1780, Contact: Glenn W. Phillips, Phone: (800) 422-2836.

(b) *Approved Courses*:

Inspector (contingent from 3/8/88 to 4/9/91 only).

Inspector (full from 4/11/88 to 4/9/91 only).

(45)(a) *Training Provider*: New York University School of Continuing Education.

Address: 11 West 42nd St., New York, NY 10036, Contact: William Loch, Phone: (212) 545-0077.

(b) *Approved Courses*:

Abatement Worker (contingent from 5/18/89).

Abatement Worker (full from 11/17/89).

Abatement Worker Refresher Course (contingent from 6/8/89).

Contractor/Supervisor (contingent from 5/18/89).

Contractor/Supervisor (full from 11/17/89).

Contractor/Supervisor Refresher Course (contingent from 6/8/89).

Inspector/Management Planner (contingent from 5/18/89).

Inspector/Management Planner (full from 12/8/89).

Inspector/Management Planner Refresher Course (contingent from 6/8/89).

Inspector/Management Planner Refresher Course (full from 3/27/90).

Project Designer (contingent from 5/18/89).

Project Designer (full from 1/10/90).

Project Designer Refresher Course (contingent from 6/8/89).

(46)(a) *Training Provider*: Niagara County Community College.

Address: Corporate Training Center, P.O. Box 70, Lockport, NY 14095, Contact: Eugene Zinni, Phone: (716) 433-1856.

(b) *Approved Courses*:

Abatement Worker (contingent from 1/5/88)

Abatement Worker (full from 1/25/88).

Abatement Worker Refresher Course (contingent from 1/23/89).

Abatement Worker Refresher Course (full from 9/14/90).

Contractor/Supervisor (contingent from 1/5/88).

Contractor/Supervisor (full from 2/19/88).

Contractor/Supervisor Refresher Course (contingent from 2/8/89).

Inspector/Management Planner (contingent from 5/18/88).

Inspector/Management Planner (full from 12/5/88).

Inspector/Management Planner Refresher Course (contingent from 3/6/89).

(47)(a) *Training Provider*: Northeastern Analytical Corporation.

Address: 4 Stow Rd., Marlton, NJ 08053, Contact: Robert Howlitt, Phone: (609) 985-8000.

(b) *Approved Courses*:

Abatement Worker (contingent from 8/17/89).

Abatement Worker Refresher Course (contingent from 8/17/89).

Contractor/Supervisor (contingent from 8/17/89).

Contractor/Supervisor Refresher Course (contingent from 8/17/89).

(48)(a) *Training Provider*: O'Brien & Gere Engineers, Inc.

Address: 5000 Brittonfield Pkwy., P.O. Box 4873, Syracuse, NY 13221, Contact: Michael P. Quirk, Phone: (315) 437-6100.

(b) *Approved Courses*:

Abatement Worker (contingent from 1/19/89).

Abatement Worker (full from 4/10/89).

Abatement Worker Refresher Course (contingent from 9/21/89).

Contractor/Supervisor (contingent from 1/19/89).

Contractor/Supervisor (full from 4/10/89).

Contractor/Supervisor Refresher Course (contingent from 9/21/89).

Inspector/Management Planner (full from 10/27/88).

Inspector/Management Planner Refresher Course (contingent from 2/24/89).

Inspector/Management Planner Refresher Course (full from 1/17/90).

(49)(a) *Training Provider*: Orange/ Ulster BOCES Risk Management Dept.

Address: RD 2 Gibson Rd., Goshen, NY 10924, Contact: Arthur J. Lange, Phone: (914) 294-5431.

(b) *Approved Courses*:

Abatement Worker (contingent from 3/2/89).

Abatement Worker (full from 5/18/90).

Contractor/Supervisor (contingent from 3/2/89).

Contractor/Supervisor (full from 5/18/90).

(50)(a) *Training Provider*: P.A. Environmental Corp.

Address: 4240-24F Hutchinson River Pkwy. E., Bronx, NY 10475, Contact: Pichai Arjarasumpun, Phone: (212) 379-6716.

(b) *Approved Courses*:

Abatement Worker (contingent from 5/31/89).

Abatement Worker Refresher Course (contingent from 5/31/89).

Contractor/Supervisor (contingent from 5/31/89).

Contractor/Supervisor Refresher Course (contingent from 5/31/89).

(51)(a) *Training Provider*: Paradigm Environmental Services, Inc.

Address: 961 Lyell Ave., Building 2, Suite 8, Rochester, NY 14606, Contact: Dmitry Tsimberov, Phone: (716) 647-2530.

(b) *Approved Courses*:

Abatement Worker (contingent from 7/19/89).

Abatement Worker Refresher Course (contingent from 10/3/89).

Contractor/Supervisor (contingent from 12/28/89).

Contractor/Supervisor Refresher Course (contingent from 10/6/89).

(52)(a) *Training Provider*: Princeton Testing Laboratory, Inc.

Address: 3490 US Route 1, Princeton Service Center, Princeton, NJ 08543, Contact: Charles Schneckloth, Phone: (609) 452-9050.

(b) *Approved Course*:

Inspector/Management Planner (contingent from 3/21/88).

(53)(a) *Training Provider*: Puerto Rico Environmental Consultants and Training Center, Inc.

Address: Cond. Banco Cooperativo Plaza Office, 302-B, Hato Rey, PR 00917, Contact: Kermit Morales or Gail Leblanc, Phone: (809) 250-8052.

(b) *Approved Courses*:

Abatement Worker (contingent from 11/1/89).

Abatement Worker Refresher Course (contingent from 11/20/89).

Contractor/Supervisor (contingent from 11/1/89).

Contractor/Supervisor Refresher Course (contingent from 11/20/89).

Inspector/Management Planner (contingent from 11/1/89).

Inspector/Management Planner Refresher Course (contingent from 11/20/89).

(54)(a) *Training Provider:* R. J. Fletcher, Inc.

Address: P.O. Box 5021, Utica, NY 13505.  
Contact: Robert J. Fletcher, Phone: (315) 724-0141.

(b) *Approved Courses:*

Abatement Worker Refresher Course (contingent from 2/24/89 to 4/9/91 only).

Inspector/Management Planner Refresher Course (contingent from 2/24/89 to 4/9/91 only).

(55)(a) *Training Provider:* SUNY College of Technology at Farmingdale. Address: Biology Department, Nathan Hale Hall, Farmingdale, NY 11735. Contact: George W. Fleming, Phone: (516) 667-6000 Ext. 310.

(b) *Approved Courses:*

Inspector/Management Planner (contingent from 4/24/89).

Inspector/Management Planner (full from 4/27/90).

Inspector/Management Planner Refresher Course (contingent from 4/24/89).

(56)(a) *Training Provider:* Safe Air Environmental Group, Inc.

Address: P.O. Box 1767, Williamsville, NY 14231. Contact: L. J. Beenau or Cronan Long, Phone: (716) 632-0707.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/8/88 to 4/9/91 only).

Abatement Worker (full from 4/4/88 to 4/9/91 only).

Abatement Worker Refresher Course (contingent from 3/2/89 to 4/9/91 only).

Contractor/Supervisor (contingent from 3/8/88 to 4/9/91 only).

Contractor/Supervisor (full from 4/4/88 to 4/9/91 only).

Contractor/Supervisor Refresher Course (contingent from 3/2/89 to 4/9/91 only).

(57)(a) *Training Provider:* Safety Training, Inc.

Address: 459 Main St., Room 202, New Rochelle, NY 10801. Contact: Nelson Helu, Phone: (914) 632-1032.

(b) *Approved Course:*

Abatement Worker (contingent from 4/25/88).

(58)(a) *Training Provider:* State University of New York at Buffalo Toxicology Research Center.

Address: 111 Farber Hall, Buffalo, NY 14214. Contact: Paul J. Kostyniak or J. Syracuse, Phone: (716) 831-2125.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/19/89).

Abatement Worker (full from 6/8/90).

Abatement Worker Refresher Course (contingent from 2/2/89).

Contractor/Supervisor (contingent from 10/19/89).

Contractor/Supervisor (full from 6/8/90).

Contractor/Supervisor Refresher Course (contingent from 2/2/89).

Inspector/Management Planner (contingent from 1/25/89).

Inspector/Management Planner Refresher Course (contingent from 2/2/89).

(59)(a) *Training Provider:* State of New Jersey Dept. of Health.

Address: CN 360, Trenton, NJ 08625-0360. Contact: James A. Brownlee. Phone: (609) 984-2193.

(b) *Approved Course:*

Inspector/Management Planner Refresher Course (contingent from 3/28/89).

(60)(a) *Training Provider:* Testwell Craig Laboratories of Albany, Inc.

Address: 47 Hudson St., Building B, Ossining, NY 10562. Contact: Charles Schwartz, Phone: (914) 762-9000.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/15/88).

Abatement Worker (full from 1/24/89).

Abatement Worker Refresher Course (contingent from 10/17/89).

Contractor/Supervisor (contingent from 6/20/89).

Contractor/Supervisor Refresher Course (contingent from 10/15/90).

(61)(a) *Training Provider:* Tri-Cities Laborers Training Program.

Address: 666 Wemple Road, Box 100, Glenmont, NY 12077. Contact: Joseph A. Zappone, Phone: (518) 426-0290.

(b) *Approved Courses:*

Abatement Worker (full from 3/21/88).

Abatement Worker Refresher Course (contingent from 10/26/88).

Abatement Worker Refresher Course (full from 2/2/89).

Contractor/Supervisor (contingent from 10/15/90).

(62)(a) *Training Provider:* Union Occupational Health Center.

Address: 450 Grider St., Buffalo, NY 14215. Contact: Garath L. Tubbs. Phone: (716) 894-9366.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/31/88).

Contractor/Supervisor (contingent from 10/17/89).

(63)(a) *Training Provider:* Univ. Med. & Dentistry of N.J. Robert Wood Med. School, Mid-Atlantic Asbestos Training Center.

Address: Brookwood II, 45 Knightsbridge Rd., Piscataway, NJ 08854. Contact: Lee Laustsen, Phone: (201) 463-5062.

(b) *Approved Courses:*

Abatement Worker (interim from 7/28/86 to 10/17/89).

Abatement Worker (full from 10/17/89).

Abatement Worker Refresher Course (contingent from 10/17/89).

Contractor/Supervisor (interim from 7/28/86 to 10/17/89).

Contractor/Supervisor (full from 10/17/89).

Contractor/Supervisor Refresher Course (contingent from 10/17/89).

Inspector/Management Planner (full from 11/16/87).

Inspector/Management Planner Refresher Course (full from 11/18/88).

Project Designer (contingent from 11/20/89).

Project Designer Refresher Course (contingent from 10/17/89).

(64)(a) *Training Provider:* Utilicom Corp.

Address: 7 Tobey Village Office Park, Pittsford, NY 14534. Contact: Jackie Aab, Phone: (716) 381-8710.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/20/88 to 4/9/91 only).

Abatement Worker (full from 10/31/88 to 4/9/91 only).

Abatement Worker Refresher Course (contingent from 4/21/89 to 4/9/91 only).

(65)(a) *Training Provider:* Warren Mae Associates.

Address: RD 3, Box 390, Endicott, NY 13760. Contact: Janine C. Rogelstad. Phone: (607) 754-8386.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/11/88).

Abatement Worker (full from 1/4/89).

Abatement Worker Refresher Course (contingent from 3/2/89).

Abatement Worker Refresher Course (full from 3/20/90).

(66)(a) *Training Provider:* Western New York Council on Occupational Safety & Health (WNYCOSH).

Address: 450 Grider St., Buffalo, NY 14215. Contact: Jeanne Reilly, Phone: (716) 897-2110.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/28/87 to 4/9/91 only).

Abatement Worker (full from 1/24/88 to 4/9/91 only).

(67)(a) *Training Provider:* Wetlands & Environmental Technologies, Inc.

Address: 88 Willow Ave., Hackensack, NJ 07601. Contact: John J. Borris. Phone: (201) 361-4799.

(b) *Approved Courses:*



Inspector/Management Planner (contingent from 11/8/89).  
Project Designer (contingent from 11/8/89).

(68)(a) *Training Provider:* White Lung Association - NY.

Address: 12 Warren St., 4th Fl., New York, NY 10007, Contact: Daniel Manasia, Phone: (212) 619-2270.

(b) *Approved Course:*

Inspector (contingent from 2/23/89 to 4/9/91 only).

(69)(a) *Training Provider:* White Lung Association of New Jersey.

Address: 901 Broad St., Newark, NJ 07102, Contact: Myles O'Malley/Gregory Camacho, Phone: (201) 824-2623.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/19/89).

Contractor/Supervisor (contingent from 6/19/89).

Inspector/Management Planner (contingent from 9/19/89).

Inspector/Management Planner (full from 5/18/90).

(70)(a) *Training Provider:* Zola Sookias Associates Environmental Consultants.

Address: 545 Eighth Ave., Suite 401, New York, NY 10018, Contact: Zola Sookias, Phone: (212) 330-0914.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/6/89).

Contractor/Supervisor (contingent from 10/6/89).

### REGION III -- Philadelphia, PA

*Regional Asbestos Coordinator:* Carole Dougherty, EPA, Region III (3AM-32), 841 Chestnut Bldg., Philadelphia, PA 19107. (215) 597-3160, (FTS) 597-3160.

*List of Approved Courses:* The following training courses have been approved by EPA. The courses are listed under (b). This approval is subject to the level of certification indicated after the course name. Training Providers are listed in alphabetical order and do not reflect a prioritization. Approvals for Region III training courses and contact points for each, are as follows:

(1)(a) *Training Provider:* A & S Training School, Inc.

Address: 99 South Cameron St., Harrisburg, PA 17101, Contact: Anna Marie Sossong, Phone: (717) 257-1360.

(b) *Approved Courses:*

Abatement Worker (full from 5/20/85).  
Contractor/Supervisor (full from 5/20/85).

(2)(a) *Training Provider:* Advance Analytical Laboratories Inc.

Address: 30th & North Church Sts., Hazleton, PA 18201, Contact: Steven L. Hahn, Phone: (717) 788-4155.

(b) *Approved Courses:*

Abatement Worker (full from 9/8/88).

Abatement Worker Refresher Course (contingent from 12/29/88).

Contractor/Supervisor (contingent from 8/11/88).

Contractor/Supervisor Refresher Course (contingent from 12/29/88).

(3)(a) *Training Provider:* Aerosol Monitoring & Analysis, Inc.

Address: 1341 Ashton Rd., Suite A, Hanover, MD 21076, Contact: Steve Blizzard, Phone: (301) 684-3327.

(b) *Approved Courses:*

Abatement Worker (full from 11/27/87).

Abatement Worker Refresher Course (contingent from 4/20/89).

Abatement Worker Refresher Course (full from 9/1/89).

Contractor/Supervisor (full from 11/27/87).

Contractor/Supervisor Refresher Course (contingent from 4/20/89).

Contractor/Supervisor Refresher Course (full from 9/1/89).

Inspector/Management Planner (contingent from 3/1/88).

Inspector/Management Planner (full from 3/31/88).

(4)(a) *Training Provider:* Alcam, Inc.

Address: 113 Poplar St., Box 213, Ambler, PA 19002, Contact: Albert Camburn, Phone: (215) 367-2791.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/26/89).

Contractor/Supervisor (contingent from 1/26/89).

(5)(a) *Training Provider:* Alice Hamilton Center for Occupational Health Center.

Address: 410 7th St., SE., 2nd Fl., Washington, DC 20003, Contact: Brian Christopher, Phone: (202) 543-0005.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/12/87).

Abatement Worker (full from 1/16/88).

Abatement Worker Refresher Course (contingent from 12/29/88).

Abatement Worker Refresher Course (full from 2/22/90).

Contractor/Supervisor (full from 1/16/88).

Contractor/Supervisor Refresher Course (contingent from 12/29/88).

Contractor/Supervisor Refresher Course (full from 2/22/90).

Inspector/Management Planner (contingent from 3/9/88).

Inspector/Management Planner (full from 6/20/88).

Inspector/Management Planner Refresher Course (contingent from 3/2/89).

(6)(a) *Training Provider:* American Asbestos Training Institute, Inc.

Address: 2133 Arch St., Philadelphia, PA 19103, Contact: Linda McNeil, Phone: (215) 988-9710.

(b) *Approved Courses:*

Abatement Worker (contingent from 5/16/89).

Contractor/Supervisor (contingent from 5/16/89).

(7)(a) *Training Provider:* American Monitoring & Engineering Services, Inc.

Address: 200 High Tower Boulevard, Suite 205, Pittsburgh, PA 15205, Contact: David J. Drummond, Phone: (412) 788-8300.

(b) *Approved Course:*

Inspector/Management Planner (contingent from 7/21/89).

(8)(a) *Training Provider:* Apex Environmental, Inc.

Address: 15850 Crabbs Branch Way, Suite 300, Rockville, MD 20855, Contact: Ken Tercero, Phone: (301) 417-0200.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/27/89).

Contractor/Supervisor (contingent from 7/27/89).

(9)(a) *Training Provider:* Asbestos Abatement Council, AWCI.

Address: 1600 Cameron St., Alexandria, VA 22314-2705, Contact: Gene Fisher, Phone: (703) 684-2924.

(b) *Approved Courses:*

Abatement Worker (full from 6/17/87).

Contractor/Supervisor (full from 6/17/87).

(10)(a) *Training Provider:* Asbestos Analytical Association, Inc.

Address: 3208-B George Washington Hwy., Portsmouth, VA 23704, Contact: Carol A. Holden, Phone: (804) 397-0695.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/7/88).

Contractor/Supervisor (contingent from 10/7/88).

(11)(a) *Training Provider:* Asbestos Environmental Services of Maryland, Inc.

Address: P.O. Box 28, Timonium, MD 21093, Contact: David George, Phone: (301) 584-1490.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/6/89).

Contractor/Supervisor (contingent from 4/6/89).

(12)(a) *Training Provider:* Asbestos Removal Co.

Address: 521 D Pulaski Hwy., Joppa, MD 21085, Contact: Nick Thrappas, Phone: (301) 679-6062.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/11/89).

Contractor/Supervisor (contingent from 12/11/89).

(13)(a) *Training Provider:* Asbestos Training Center.

Address: 628 Spring St., Fairmont, WV 26554, Contact: Theodore Jackson, Phone: (304) 363-3803.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/11/89).

Abatement Worker Refresher Course (contingent from 6/20/90).

Contractor/Supervisor (contingent from 2/18/91).

Contractor/Supervisor Refresher Course (contingent from 6/20/90).

Inspector Refresher Course (contingent from 6/20/90).

(14)(a) *Training Provider:* Asbestos Workers Local Union No. 24.

Address: 6713 Ammendale Rd., Beltsville, MD 20705, Contact: Thomas Haun, Phone: (301) 937-7636.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/15/88).

Abatement Worker Refresher Course (contingent from 12/1/88).

Contractor/Supervisor (contingent from 12/1/88).

Contractor/Supervisor Refresher Course (contingent from 12/1/88).

(15)(a) *Training Provider:* Associated Thermal Services.

Address: 121 Edgewood Ave., Pittsburgh, PA 15218, Contact: Renee Yuhasz, Phone: (412) 247-4003.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/11/89).

Abatement Worker Refresher Course (contingent from 4/20/90).

Contractor/Supervisor (contingent from 12/11/89).

Contractor/Supervisor Refresher Course (contingent from 4/20/90).

Inspector/Management Planner (contingent from 12/11/89).

Inspector/Management Planner Refresher Course (contingent from 4/20/90).

Project Designer (contingent from 12/11/89).

Project Designer Refresher Course (contingent from 4/20/90).

(16)(a) *Training Provider:* Atlantic Environmental Resources Inc.

Address: 10111-B-Bacon Dr., Beltsville, MD 20705, Contact: John E Kee, Phone: (301) 595-1014.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/11/89).

Contractor/Supervisor (contingent from 12/11/89).

(17)(a) *Training Provider:* BARCO Enterprises, Inc.

Address: 2439 North Charles St., Baltimore, MD 21218, Contact: Bart Harrison, Phone: (301) 889-7770.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/11/89).

Contractor/Supervisor (contingent from 12/11/89).

(18)(a) *Training Provider:* Bardon Institute for Environmental Sciences, Inc.

Address: 3225 S. Delaware Ave., Philadelphia, PA 19148, Contact: Michael Grant, Phone: (215) 271-9808.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/5/91).

Abatement Worker Refresher Course (contingent from 3/14/91).

Contractor/Supervisor (contingent from 2/5/91).

Contractor/Supervisor Refresher Course (contingent from 3/14/91).

Inspector/Management Planner (contingent from 2/5/91).

Inspector/Management Planner Refresher Course (contingent from 3/14/91).

(19)(a) *Training Provider:* Biospherics, Inc.

Address: 12051 Indian Creek Ct., Beltsville, MD 20705, Contact: Marian Meiselman, Phone: (301) 369-3900.

(b) *Approved Courses:*

Abatement Worker (full from 10/1/87).

Abatement Worker Refresher Course (contingent from 8/12/88).

Abatement Worker Refresher Course (full from 10/31/88).

Contractor/Supervisor (full from 10/1/87).

Contractor/Supervisor Refresher Course (contingent from 8/12/88).

Contractor/Supervisor Refresher Course (full from 10/31/88).

Inspector/Management Planner (contingent from 5/20/88).

Inspector/Management Planner (full from 8/15/88).

Inspector/Management Planner Refresher Course (contingent from 2/23/89).

Inspector/Management Planner Refresher Course (full from 3/20/89).

(20)(a) *Training Provider:* Briggs Associates, Inc.

Address: 8300 Guilford Rd., Suite E, Columbia, MD 21046, Contact: J. Ross Voorhees, Phone: (301) 381-4434.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/30/89).

Abatement Worker (full from 1/11/90).

Abatement Worker Refresher Course (contingent from 1/26/90).

Contractor/Supervisor (full from 1/12/90).

(21)(a) *Training Provider:* Brujos Scientific, Inc.

Address: 505 Drury Ln., Baltimore, MD 21229, Contact: Robert Olcerst, Phone: (301) 566-0859.

(b) *Approved Courses:*

Abatement Worker (full from 11/21/88).

Contractor/Supervisor (contingent from 9/29/88).

(22)(a) *Training Provider:* Business Industrial Safety Supplies.

Address: 118 East Patapsco Ave., Baltimore, MD 21225, Contact: Ronald Mace, Phone: (301) 354-2477.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/20/89).

Contractor/Supervisor (contingent from 11/20/89).

(23)(a) *Training Provider:* Calvert Asbestos Training Services Inc.

Address: P.O. Box 799, Huntingtown, MD 20639, Contact: Carol F. Newhouse, Phone: (301) 535-0960.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/1/90).

Contractor/Supervisor (contingent from 8/1/90).

Inspector/Management Planner (contingent from 8/1/90).

Project Designer (contingent from 8/1/90).

(24)(a) *Training Provider:* Camtech, Inc.

Address: 4550 McKnight Rd., Suite 202, Pittsburgh, PA 15237, Contact: Leslie Connors, Phone: (412) 931-1210.

(b) *Approved Course:*

Inspector/Management Planner (contingent from 10/13/89).

(25)(a) *Training Provider:* Carpenters Joint Apprenticeship Committee of Western Pennsylvania.

Address: 495 Mansfield Ave., Pittsburgh, PA 15205, Contact: William Shehab, Phone: (412) 922-6200.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/1/88).

Abatement Worker (full from 10/6/89).  
 Abatement Worker Refresher Course  
 (contingent from 10/20/89).  
 Contractor/Supervisor (contingent from  
 11/27/89).  
 Contractor/Supervisor (full from 11/27/  
 89).  
 Contractor/Supervisor Refresher Course  
 (full from 11/27/89).

(26)(a) *Training Provider:* Center for  
 Environmental & Occupational Training,  
 Inc.

Address: 814 East Pittsburgh Plaza,  
 Pittsburgh, PA 15112, Contact: David  
 Ginsburg, Phone: (412) 823-1002.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/  
 15/88).  
 Abatement Worker (full from 12/8/88).  
 Abatement Worker Refresher Course  
 (full from 1/19/89).  
 Contractor/Supervisor (contingent from  
 9/15/88).  
 Contractor/Supervisor (full from 12/8/  
 88).  
 Contractor/Supervisor Refresher Course  
 (full from 1/19/89).  
 Inspector/Management Planner  
 (contingent from 3/1/89).  
 Inspector/Management Planner  
 Refresher Course (contingent from 3/  
 1/89).  
 Project Designer (contingent from 6/29/  
 89).  
 Project Designer (full from 12/21/89).  
 Project Designer Refresher Course  
 (contingent from 12/13/89).

(27)(a) *Training Provider:* Center for  
 Hazardous Materials Research.

Address: University of Pittsburgh  
 Applied, Research Center, 320  
 William Pitt Way, Pittsburgh, PA  
 15238, Contact: Steven T. Ostheim,  
 Phone: (412) 826-5320.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/  
 28/88).  
 Contractor/Supervisor (contingent from  
 11/28/88).

(28)(a) *Training Provider:* Charles  
 County Community College.

Address: Mitchell Rd., Box 910, LaPlata,  
 MD 20646-0910, Contact: Jake Bair,  
 Phone: (301) 934-2251.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/  
 28/89).  
 Abatement Worker Refresher Course  
 (contingent from 4/20/89).  
 Contractor/Supervisor (contingent from  
 1/26/89).  
 Contractor/Supervisor Refresher Course  
 (contingent from 4/20/89).

(29)(a) *Training Provider:* Criteron  
 Laboratories.

Address: 5301 Tacony St., Box 105, Bldg  
 8, Philadelphia, PA 19137, Contact:  
 James A. Weltz, Phone: (215) 288-1088.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/  
 24/91).  
 Abatement Worker Refresher Course  
 (contingent from 3/14/91).  
 Contractor/Supervisor (contingent from  
 1/24/91).  
 Contractor/Supervisor Refresher Course  
 (contingent from 3/14/91).  
 Inspector/Management Planner  
 (contingent from 1/24/91).  
 Inspector/Management Planner  
 Refresher Course (contingent from 3/  
 14/91).

(30)(a) *Training Provider:* Delaware  
 Technical & Community College, Terry  
 Campus/Stanton Campus.

Address: 1798 North DuPont Pkwy., P.O.  
 Box 897, Dover, DE 19903, Contact:  
 David Stanley, Phone: (302) 454-3900.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/  
 20/88).  
 Abatement Worker Refresher Course  
 (contingent from 3/1/88).  
 Contractor/Supervisor (contingent from  
 4/20/88).  
 Contractor/Supervisor Refresher Course  
 (contingent from 3/1/88).

(31)(a) *Training Provider:* Drexel  
 University, Office of Continuing  
 Professional Education.

Address: 32nd & Chestnut Sts.,  
 Philadelphia, PA 19104, Contact:  
 Robert Ross, Phone: (215) 895-2156.

(b) *Approved Courses:*

Abatement Worker (interim from 9/1/86  
 to 11/11/87).  
 Abatement Worker (full from 11/12/87).  
 Abatement Worker Refresher Course  
 (contingent from 12/29/88).  
 Contractor/Supervisor (interim from 9/  
 1/86 to 11/11/87).  
 Contractor/Supervisor (full from 11/12/  
 87).

Contractor/Supervisor Refresher Course  
 (contingent from 12/29/88).  
 Inspector/Management Planner  
 (contingent from 3/8/88).  
 Inspector/Management Planner (full  
 from 3/14/88).  
 Inspector/Management Planner  
 Refresher Course (contingent from 12/  
 29/88).

Inspector/Management Planner  
 Refresher Course (full from 1/19/90).  
 Project Designer (contingent from 11/27/  
 89).

(32)(a) *Training Provider:* Dynamac  
 Corp.

Address: 11140 Rockville Pike,  
 Rockville, MD 20852, Contact: R.  
 Reisdorf, Phone: (301) 417-9800.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/  
 6/89).

Contractor/Supervisor (contingent from  
 3/2/89).

Inspector/Management Planner  
 (contingent from 9/1/88).

Inspector/Management Planner  
 Refresher Course (contingent from 8/  
 26/89).

(33)(a) *Training Provider:* E.I. DuPont  
 De Nemours & Co. Spruance Plant.

Address: P.O. Box 27001, Richmond, VA  
 23261, Contact: Clarence P. Mihal, Jr.,  
 Phone: (804) 743-2948.

(b) *Approved Course:*

Abatement Worker (contingent from 11/  
 14/88).

(34)(a) *Training Provider:* Eagle  
 Industrial Hygiene Association Inc.

Address: 359 Dresher Rd., Horsham, PA  
 19044, Contact: Stephen R. Bell, Phone:  
 (215) 657-2261.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/  
 6/89).

Abatement Worker (full from 7/14/89).  
 Abatement Worker Refresher Course  
 (contingent from 10/30/89).

Contractor/Supervisor (contingent from  
 4/6/89).

Contractor/Supervisor (full from 7/14/  
 89).

Contractor/Supervisor Refresher Course  
 (contingent from 10/30/89).

Inspector/Management Planner  
 (contingent from 5/16/89).

Inspector/Management Planner  
 Refresher Course (contingent from 7/  
 20/89).

Project Designer (contingent from 12/11/  
 89).

(35)(a) *Training Provider:*  
 Environmental Education Associates.

Address: 28 West Main St., Plymouth,  
 PA 18651, Contact: Harry H. West,  
 Phone: (717) 779-4242.

(b) *Approved Courses:*

Abatement Worker (contingent from 5/  
 17/89).

Contractor/Supervisor (contingent from  
 5/17/89).

Inspector (contingent from 5/17/89).

(36)(a) *Training Provider:*  
 Environmental Training & Consultants,  
 Inc.

Address: 2 Bala Plaza, Suite 300, Bala  
 Cynwyd, PA 19004, Contact: Linda L.  
 Kershaw, Phone: (215) 667-4685.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/  
 6/89).

Abatement Worker Refresher Course  
 (contingent from 1/13/90).

Contractor/Supervisor (contingent from 4/6/89).  
 Contractor/Supervisor Refresher Course (contingent from 1/13/90).  
 Inspector/Management Planner (contingent from 4/6/89).  
 Inspector/Management Planner Refresher Course (contingent from 1/13/90).  
 (37)(a) *Training Provider:* Facilities Management Consultants, Inc.  
 Address: P.O. Box 309, Cecil, PA 15321, Contact: Edward Monaco, Phone: (412) 745-1770.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 6/30/88).  
 Abatement Worker (full from 10/18/88).  
 Abatement Worker Refresher Course (contingent from 7/21/89).  
 Abatement Worker Refresher Course (full from 10/5/89).  
 Contractor/Supervisor (full from 10/18/88).  
 Contractor/Supervisor Refresher Course (contingent from 7/21/89).  
 Contractor/Supervisor Refresher Course (full from 10/5/89).  
 (38)(a) *Training Provider:* GA Environmental Services, Inc.  
 Address: Pier 5 Penn's Landing, Philadelphia, PA 19106, Contact: Frank E. Cona, Phone: (215) 351-4045.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 8/17/89).  
 Abatement Worker Refresher Course (contingent from 12/13/89).  
 Contractor/Supervisor (contingent from 8/17/89).  
 Contractor/Supervisor Refresher Course (contingent from 12/13/89).  
 Inspector/Management Planner (contingent from 11/7/89).  
 Inspector/Management Planner Refresher Course (contingent from 11/7/89).  
 Project Designer (contingent from 8/17/89).  
 Project Designer Refresher Course (contingent from 12/13/89).  
 (39)(a) *Training Provider:* GST Co.  
 Address: 50 Progress Ave., Zelienople, PA 16063, Contact: Norma Stanford, Phone: (412) 772-7488.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 11/14/88).  
 Abatement Worker (full from 12/5/88).  
 Abatement Worker Refresher Course (contingent from 1/30/89).  
 Contractor/Supervisor (contingent from 11/14/88).  
 Contractor/Supervisor (full from 12/5/88).  
 Contractor/Supervisor Refresher Course (contingent from 1/30/89).

Inspector/Management Planner (contingent from 12/29/88).  
 Inspector/Management Planner Refresher Course (contingent from 12/12/89).  
 (40)(a) *Training Provider:* Galson Technical Services, Inc.  
 Address: 5170 Campus Dr., Suite 200, Plymouth Meeting, PA 19462, Contact: Ernest L. Sweet, Phone: (215) 432-0506.  
 (b) *Approved Course:*  
 Inspector/Management Planner (contingent from 6/17/88).  
 (41)(a) *Training Provider:* General Physics Corp.  
 Address: 6700 Alexander Bell Dr., Columbia, MD 21046, Contact: Andrew K. Marsh, Phone: (301) 290-2300.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 4/6/89).  
 Contractor/Supervisor (contingent from 4/6/89).  
 (42)(a) *Training Provider:* Genty Associates.  
 Address: 6080 Woodland Ave., Philadelphia, PA 19143, Contact: Frank Genty, Phone: (215) 727-4420.  
 (b) *Approved Course:*  
 Abatement Worker (contingent from 9/14/89).  
 (43)(a) *Training Provider:* Gerald T. Fenton, Inc.  
 Address: 3152 Bladensburg Rd., Washington, DC 20018, Contact: James R. Foster, Phone: (202) 269-2112.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 12/15/88).  
 Contractor/Supervisor (contingent from 12/15/88).  
 (44)(a) *Training Provider:* Hazard Abatement Training Center.  
 Address: 101 East Lancaster Ave., Wayne, PA 19087, Contact: Robert Mautner, Phone: (215) 971-0830.  
 (b) *Approved Course:*  
 Inspector/Management Planner (contingent from 4/12/88).  
 (45)(a) *Training Provider:* Hazardous Materials Management.  
 Address: 4617 Benson Ave., Baltimore, MD 21227, Contact: Anthony Bizzari, Phone: (301) 247-9302.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 12/11/89).  
 Contractor/Supervisor (contingent from 12/11/89).  
 (46)(a) *Training Provider:* Heat & Frost Insulators & Asbestos Workers Local Union No. 2.

Address: P.O. Box 595, Moon-Clinton Rd., Clinton, PA 15026, Contact: Terry Larkin, Phone: (412) 695-2883.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 9/28/88).  
 Abatement Worker (full from 10/27/88).  
 Abatement Worker Refresher Course (contingent from 9/28/88).  
 Abatement Worker Refresher Course (full from 12/8/88).  
 Contractor/Supervisor (contingent from 9/28/88).  
 Contractor/Supervisor (full from 8/28/89).  
 Contractor/Supervisor Refresher Course (contingent from 9/28/88).  
 Contractor/Supervisor Refresher Course (full from 8/3/89).  
 (47)(a) *Training Provider:* Heat & Frost Insulators & Asbestos Workers Local Union No. 23.  
 Address: 42 Lynwood Dr., Rd. 4, Allentown, PA 18103, Contact: Jos Klocek, Phone: (717) 564-7563.  
 (b) *Approved Course:*  
 Abatement Worker (contingent from 10/20/88).  
 (48)(a) *Training Provider:* Ind. Tra. Co. Ltd.  
 Address: 18 South 22nd St., Richmond, VA 23223-7024, Contact: Vera Barley, Phone: (804) 648-7836.  
 (b) *Approved Courses:*  
 Abatement Worker (full from 9/15/87).  
 Abatement Worker Refresher Course (contingent from 8/12/88).  
 Contractor/Supervisor (full from 9/15/87).  
 Inspector/Management Planner (full from 9/16/88).  
 Inspector/Management Planner Refresher Course (full from 3/1/89).  
 (49)(a) *Training Provider:* International Association of Heat & Frost Insulators & Asbestos Workers Local Union No. 38.  
 Address: 315 - 317 North Washington St., Wilkes-Barre, PA 18703, Contact: Robert Hughes, Phone: (717) 829-0634.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 3/2/89).  
 Abatement Worker (full from 3/20/90).  
 Abatement Worker Refresher Course (contingent from 6/6/90).  
 (50)(a) *Training Provider:* International Union of Operating Engineers.  
 Address: 1125 Seventeen St., NW., Washington, DC 20036, Contact: David Treanor, Phone: (202) 429-9100.  
 (b) *Approved Courses:*

Abatement Worker (contingent from 2/25/91).

Abatement Worker Refresher Course (contingent from 3/22/91).

Contractor/Supervisor (contingent from 2/25/91).

Contractor/Supervisor Refresher Course (contingent from 3/22/91).

(51)(a) *Training Provider*: JMR Associates.

Address: 5225 Baltimore Ave., Philadelphia, PA 19143, Contact: Joseph Faulk, III, Phone: (215) 747-5120.

(b) *Approved Courses*:

Abatement Worker (contingent from 8/24/89).

Abatement Worker (full from 9/15/89).  
Contractor/Supervisor (contingent from 8/24/89).

Contractor/Supervisor (full from 9/15/89).

(52)(a) *Training Provider*: Jenkins Professionals, Inc.

Address: 5022 Campbell Blvd., Suite F, Baltimore, MD 21236, Contact: Larry Jenkins, Phone: (301) 931-7588.

(b) *Approved Courses*:

Abatement Worker (contingent from 2/10/88).

Abatement Worker Refresher Course (contingent from 3/2/89).

Contractor/Supervisor (contingent from 2/10/88).

Contractor/Supervisor Refresher Course (contingent from 3/2/89).

Inspector/Management Planner (contingent from 11/1/89).

(53)(a) *Training Provider*: John H. Lange Associates.

Address: 4623 Northridge Dr., Pittsburgh, PA 15239, Contact: John H. Lange, Phone: (412) 733-1448.

(b) *Approved Courses*:

Abatement Worker (contingent from 7/9/90).

Abatement Worker Refresher Course (contingent from 10/15/89).

Contractor/Supervisor (contingent from 7/9/90).

Contractor/Supervisor Refresher Course (contingent from 10/15/89).

Inspector/Management Planner (contingent from 7/9/90).

Inspector/Management Planner Refresher Course (contingent from 10/15/89).

Project Designer (contingent from 7/9/90).

Project Designer Refresher Course (contingent from 10/15/89).

(54)(a) *Training Provider*: Laborers District Council Training Fund of Baltimore & Vicinity.

Address: 7400 Buttercup Rd., Sykesville, MD 21784, Contact: Robert Williams, Phone: (301) 549-1800.

(b) *Approved Course*:

Abatement Worker (contingent from 4/10/89).

(55)(a) *Training Provider*: Laborers District Council of Eastern Pennsylvania.

Address: 2163 Berryhill St., Harrisburg, PA 17104, Contact: Gerald D. Temarantz, Phone: (717) 564-2707.

(b) *Approved Courses*:

Abatement Worker (contingent from 6/17/88).

Abatement Worker (full from 1/30/89).

Abatement Worker Refresher Course (contingent from 8/17/89).

Abatement Worker Refresher Course (full from 3/20/90).

(56)(a) *Training Provider*: Laborers District Council of Western Pennsylvania.

Address: 1101 Fifth Ave., Pittsburgh, PA 15219, Contact: Robert F. Ferrari, Phone: (412) 391-8533.

(b) *Approved Courses*:

Abatement Worker (contingent from 6/17/88).

Abatement Worker (full from 10/31/88).

Abatement Worker Refresher Course (contingent from 3/2/89).

Contractor/Supervisor (contingent from 6/17/88).

Contractor/Supervisor (full from 10/31/88).

Contractor/Supervisor Refresher Course (contingent from 8/17/89).

(57)(a) *Training Provider*: Laborers District Council, Education Training Fund of Philadelphia & Vicinity.

Address: 500 Lancaster Ave., Exton, PA 19341, Contact: Jerry Roseman, Phone: (215) 836-1175.

(b) *Approved Courses*:

Abatement Worker (interim from 11/1/87 to 12/14/87).

Abatement Worker (contingent from 2/18/88).

Contractor/Supervisor (contingent from 4/30/89).

Contractor/Supervisor Refresher Course (contingent from 4/20/89).

(58)(a) *Training Provider*: Marcus Environmental.

Address: 6345 Courthouse Rd., P.O. Box 227, Prince George, VA 23875, Contact: Susan M. Wilcox, Phone: (804) 733-1855.

(b) *Approved Courses*:

Abatement Worker (contingent from 1/26/89).

Contractor/Supervisor (contingent from 1/26/89).

(59)(a) *Training Provider*: Maryland Department of the Environment.

Address: 2500 Broening Hwy., Baltimore, MD 21224, Contact: Barbara Conrad, Phone: (301) 631-3847.

(b) *Approved Courses*:

Abatement Worker (contingent from 11/18/89).

Contractor/Supervisor (contingent from 11/16/89).

Inspector/Management Planner (contingent from 4/14/89).

(60)(a) *Training Provider*: Maryland Industrial Safety Training Services.

Address: 668 Shore Dr., Joppa, MD 21085, Contact: Brain Stewart, Phone: (301) 679-9362.

(b) *Approved Courses*:

Abatement Worker (contingent from 12/11/89).

Contractor/Supervisor (contingent from 12/11/89).

(61)(a) *Training Provider*: Medical College of Virginia, Virginia Commonwealth University Dept. of Preventive Medicine.

Address: P.O. Box 212, Richmond, VA 23298, Contact: Leonard Vance, Phone: (804) 786-9785.

(b) *Approved Courses*:

Contractor/Supervisor (contingent from 10/2/87).

Contractor/Supervisor (full from 11/2/87).

Contractor/Supervisor Refresher Course (contingent from 8/12/88).

Inspector/Management Planner (full from 2/29/88).

Inspector/Management Planner Refresher Course (contingent from 12/29/88).

(62)(a) *Training Provider*: National Association of Minority Contractors.

Address: 806 15th St., NW., Washington, DC 20012, Contact: Ralph C. Thomas, III, Phone: (202) 347-8259.

(b) *Approved Courses*:

Abatement Worker (contingent from 4/19/89).

Contractor/Supervisor (contingent from 4/19/89).

(63)(a) *Training Provider*: National Training Fund for the Sheet Metal and Air Conditioning Industry.

Address: 601 North Fairfax St., Suite 240, Alexandria, VA 22314, Contact: Gerald Olejniczak, Phone: (703) 739-7200.

(b) *Approved Courses*:

Abatement Worker (interim from 11/1/86 to 8/1/87).

Abatement Worker (contingent from 9/18/87).

Abatement Worker (full from 9/18/87).  
Abatement Worker Refresher Course (contingent from 12/29/88).

Contractor/Supervisor (interim from 11/1/86 to 8/1/87).

Contractor/Supervisor (contingent from 9/18/87).

Contractor/Supervisor (full from 9/18/87).

Contractor/Supervisor Refresher Course (contingent from 5/18/89).

Inspector (contingent from 5/26/88).

(64)(a) *Training Provider:* Occupational Medical Center.

Address: 4451 Parliament Pl., Lanham, MD 20706, Contact: Ellen Kite, Phone: (301) 306-0632.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/28/88).

Abatement Worker Refresher Course (contingent from 12/13/89).

Contractor/Supervisor (contingent from 9/25/89).

Contractor/Supervisor Refresher Course (contingent from 12/13/89).

(65)(a) *Training Provider:* Old Dominion University, Office of Continuing Education, College of Health Services.

Address: 204 Old Science Building, Norfolk, VA 23529-0290, Contact: Shirley Glover, Phone: (804) 440-4256.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/30/88).

Abatement Worker (full from 7/27/88).

(66)(a) *Training Provider:* Oneil M. Banks, Inc.

Address: 336 South Main St., Bel Air, MD 21014, Contact: Oneil M. Banks, Phone: (301) 879-4676.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/5/88).

Abatement Worker (full from 2/20/89).

Abatement Worker Refresher Course (contingent from 10/12/89).

Contractor/Supervisor (contingent from 1/5/88).

Contractor/Supervisor Refresher Course (contingent from 10/12/89).

Inspector (contingent from 3/14/88).

(67)(a) *Training Provider:* Paskal Environmental Services.

Address: 6010 Sonoma Rd., Bethesda, MD 20817, Contact: Steve Paskal, Phone: (301) 571-1507.

(b) *Approved Course:*

Abatement Worker (contingent from 4/28/88).

(68)(a) *Training Provider:*

Pennsylvania Dept. of Welfare.

Address: Capitol Associates Bldg., Room 103, P.O. Box 2875, Harrisburg, PA 17105, Contact: Gerald A. Donatucci, Phone: (717) 783-9543.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/3/88).

Abatement Worker (full from 11/15/88).

Abatement Worker Refresher Course (contingent from 8/17/89).

Abatement Worker Refresher Course (full from 12/14/89).

(69)(a) *Training Provider:* Philadelphia Electric Co.

Address: Barbados Training Center, Norristown, PA 19401, Contact: John J. Stankiewicz, Phone: (215) 270-8600.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/19/88).

Abatement Worker (full from 7/28/89).

Abatement Worker Refresher Course (contingent from 2/24/89).

Abatement Worker Refresher Course (full from 11/15/89).

(70)(a) *Training Provider:* Phoenix Safety Associates, Ltd.

Address: P.O. Box 545, Phoenixville, PA 19460, Contact: Janice Sharkey, Phone: (215) 935-1770.

(b) *Approved Course:*

Inspector/Management Planner (contingent from 9/1/88).

(71)(a) *Training Provider:* Quality Specialties, Inc.

Address: P.O. Box 46, 109 South 15th Ave., Hopewell, VA 23860, Contact: Lewis Stevenson, Phone: (804) 458-5855.

(b) *Approved Course:*

Abatement Worker (contingent from 8/8/88).

(72)(a) *Training Provider:* RCW Environmental Consulting & Training.

Address: 711 Shetland St., Rockville, MD 20851, Contact: Robert C. Wyatt, Phone: (301) 251-0291.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/1/89).

Contractor/Supervisor (contingent from 8/1/89).

Inspector/Management Planner (contingent from 11/1/89).

(73)(a) *Training Provider:* Roofer Local No. 30/Roofing & Sheet Metal Contractors of Philadelphia & Vicinity Joint Apprentice Program.

Address: 433 Kelly Dr., Philadelphia, PA 19129, Contact: Richard Harvey, Phone: (215) 849-4800.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/21/89).

Contractor/Supervisor (contingent from 7/21/89).

(74)(a) *Training Provider:* S.G. Brown, Inc.

Address: 2701 Sonic Dr., Virginia Beach, VA 23456, Contact: Sandra A. Akers, Phone: (804) 468-0027.

(b) *Approved Course:*

Abatement Worker (contingent from 7/12/88).

(75)(a) *Training Provider:* SE Technologies, Inc. (SET).

Address: 98 Vanadium Rd., Bridgeville, PA 15017, Contact: Amy Couch Shultz, Phone: (412) 221-1100.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/22/89).

Abatement Worker Refresher Course (contingent from 4/20/89).

Contractor/Supervisor (contingent from 2/22/89).

Contractor/Supervisor Refresher Course (contingent from 4/20/89).

Inspector/Management Planner (contingent from 2/22/89).

Inspector/Management Planner Refresher Course (contingent from 4/20/89).

(76)(a) *Training Provider:* STI, Inc.

Address: P.O. Box 1029, Aberdeen, MD 21001, Contact: Terry F. Carraway, Jr., Phone: (301) 575-7844.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/19/88).

Abatement Worker Refresher Course (contingent from 12/29/88).

Contractor/Supervisor (contingent from 7/19/88).

Contractor/Supervisor Refresher Course (contingent from 12/29/88).

Inspector/Management Planner (contingent from 12/15/88).

Inspector/Management Planner Refresher Course (contingent from 10/30/89).

(77)(a) *Training Provider:* STIC Corporation.

Address: Box 347, Wilkes-Barre, PA 18703, Contact: Ed Barrett, Phone: (717) 829-3614.

(b) *Approved Course:*

Contractor/Supervisor (contingent from 4/7/89).

(78)(a) *Training Provider:* Safety Management Institute.

Address: P.O. Box 1844, Altoona, PA 16603, Contact: Christopher Tate, Phone: (814) 946-1221.

(b) *Approved Courses:*

Abatement Worker (Approval Suspended 10/2/89).

Abatement Worker Refresher Course (Approval Suspended 10/2/89).

Contractor/Supervisor (Approval Suspended 10/2/89).

Contractor/Supervisor Refresher Course (Approval Suspended 10/2/89).

Inspector/Management Planner (Approval Suspended 10/2/89).

**Inspector/Management Planner  
Refresher Course (Approval  
Suspended 10/2/89).**

(79)(a) *Training Provider:* Temple University College of Engineering Asbestos Abatement Center.

Address: 12th & Norris Sts., Philadelphia, PA 19122, Contact: Lester Levin, Phone: (215) 787-6479.

**(b) Approved Courses:**

Abatement Worker (full from 10/21/87).  
Contractor/Supervisor (contingent from 9/28/87).

Contractor/Supervisor (full from 10/1/87).

Inspector/Management Planner (full from 10/13/87).

Inspector/Management Planner Refresher Course (full from 12/19/88).  
Project Designer (contingent from 3/20/89).

(80)(a) *Training Provider:* Tetra Services, Inc.

Address: Pleasant Valley Rd., P.O. Box 295A, Trafford, PA 15085, Contact: Dominic R. Medure, Phone: (412) 744-3377.

**(b) Approved Course:**

Abatement Worker (contingent from 4/20/89).

(81)(a) *Training Provider:* The Glaser Co.

Address: 200 Kanawha Ter., St. Albans, WV 25177, Contact: Stephen P. Glaser, Phone: (304) 722-2832.

**(b) Approved Courses:**

Abatement Worker (contingent from 4/6/89).

Contractor/Supervisor (contingent from 4/6/89).

(82)(a) *Training Provider:* The J.O.B.S. Company.

Address: P.O. Box 3763, Charleston, WV 25337, Contact: Ann Hyre, Phone: (304) 344-0048.

**(b) Approved Courses:**

Abatement Worker (contingent from 5/28/89).

Abatement Worker (full from 2/14/90).  
Contractor/Supervisor (contingent from 5/25/89).

(83)(a) *Training Provider:* Tracor Technology Resources, Inc. A Subsidiary of Tracor, Inc.

Address: 1601 Research Blvd., Rockville, MD 20850, Contact: Daniel O. Chute, Phone: (301) 984-2817.

**(b) Approved Courses:**

Abatement Worker (contingent from 1/4/89).

Contractor/Supervisor (contingent from 1/4/89).

Inspector/Management Planner (contingent from 1/4/89).

(84)(a) *Training Provider:* UBC National Health & Safety Fund.

Address: 101 Constitution Ave., NW., Washington, DC 20001, Contact: Joseph L. Durst, Jr., Phone: (202) 546-6206.

**(b) Approved Courses:**

Abatement Worker (contingent from 12/11/89).

Abatement Worker Refresher Course (contingent from 3/21/90).

Contractor/Supervisor (contingent from 12/11/89).

Contractor/Supervisor Refresher Course (contingent from 3/21/90).

(85)(a) *Training Provider:* United Environmental Systems, Inc.

Address: 104-106 Arch St., Philadelphia, PA 19106, Contact: Holly Tate, Phone: (215) 829-9454.

**(b) Approved Courses:**

Abatement Worker (contingent from 8/3/88).

Abatement Worker (full from 9/25/89).  
Abatement Worker Refresher Course (contingent from 1/30/90).

Contractor/Supervisor (contingent from 8/30/88).

Inspector/Management Planner (contingent from 7/8/88).

(86)(a) *Training Provider:* University of Pittsburgh, Graduate School of Public Health.

Address: Dept. of Industrial Environmental, Health Sciences, Pittsburgh, PA 15261, Contact: Dietrich A. Weyel, Phone: (412) 624-3042.

**(b) Approved Courses:**

Abatement Worker (contingent from 3/6/88).

Abatement Worker (full from 6/6/88).

Abatement Worker Refresher Course (contingent from 4/20/89).

Contractor/Supervisor (contingent from 3/6/88).

Contractor/Supervisor (full from 6/6/88).

Contractor/Supervisor Refresher Course (contingent from 4/20/89).

(87)(a) *Training Provider:* University of Scranton Technology Center.

Address: Scranton, PA 18510-2192, Contact: Jerome P. De Santo, Phone: (717) 961-4050.

**(b) Approved Course:**

Inspector/Management Planner (contingent from 6/26/89).

(88)(a) *Training Provider:* Volz Environmental Services, Inc.

Address: 3010 William Pitt Way, Pittsburgh, PA 15238, Contact: Greg Ashman, Phone: (412) 826-3150.

**(b) Approved Courses:**

Abatement Worker (contingent from 10/3/88).

Abatement Worker (full from 1/23/89).

Abatement Worker Refresher Course (contingent from 4/20/89).

Abatement Worker Refresher Course (full from 11/21/89).

Contractor/Supervisor (contingent from 10/3/88).

Contractor/Supervisor (full from 1/23/89).

Contractor/Supervisor Refresher Course (contingent from 4/20/89).

Contractor/Supervisor Refresher Course (full from 11/21/89).

Inspector/Management Planner (contingent from 10/3/88).

Inspector/Management Planner (full from 1/29/90).

Inspector/Management Planner Refresher Course (contingent from 4/20/89).

Inspector/Management Planner Refresher Course (full from 12/18/89).

Project Designer (contingent from 9/1/89).

Project Designer (full from 12/8/89).

Project Designer Refresher Course (contingent from 12/13/89).

(89)(a) *Training Provider:* W.S. Keyes Associates.

Address: 55 Frazer Rd., Bech 232, Malvern, PA 19355, Contact: W. Scot Keyes, Phone: (215) 647-2878.

**(b) Approved Courses:**

Abatement Worker (contingent from 1/25/90).

Contractor/Supervisor (contingent from 1/25/90).

Inspector/Management Planner (contingent from 1/25/90).

(90)(a) *Training Provider:* Waco, Inc.

Address: Highway 925, N., P.O. Box 740, White Plains, MD 20695, Contact: Wayne Cooper, Phone: (301) 843-2488.

**(b) Approved Courses:**

Abatement Worker (full from 9/15/87).

Abatement Worker Refresher Course (contingent from 8/12/88).

Contractor/Supervisor (full from 9/15/87).

Contractor/Supervisor Refresher Course (contingent from 3/1/89).

Inspector/Management Planner Refresher Course (contingent from 3/11/88).

(91)(a) *Training Provider:* West Virginia Laborers Training Trust Fund.

Address: One Monogalia St., Charleston, WV 25302, Contact: Wetzel Harvey, Phone: (304) 346-0581.

**(b) Approved Course:**

Abatement Worker (contingent from 8/29/88).

(92)(a) *Training Provider:* West Virginia University Extension Service.

Address: 704 Knapp Hall, P.O. Box 6031, Morgantown, WV 26506-6031, Contact: Robert L. Moore, Phone: (304) 293-4013.



**(b) Approved Courses:**

Abatement Worker (contingent from 10/20/88).

Abatement Worker Refresher Course (contingent from 11/2/89).

Contractor/Supervisor (contingent from 10/20/88).

Contractor/Supervisor Refresher Course (contingent from 11/2/89).

Inspector/Management Planner (contingent from 5/9/88).

Inspector/Management Planner Refresher Course (contingent from 4/20/89).

Inspector/Management Planner Refresher Course (full from 4/26/89).

(93)(a) *Training Provider:* White Lung Association.

Address: 1601 St. Paul St., Baltimore, MD 21201, Contact: James Fite, Phone: (301) 727-6029.

**(b) Approved Courses:**

Abatement Worker (contingent from 2/18/88).

Abatement Worker (full from 6/6/88).

Abatement Worker Refresher Course (contingent from 2/23/89).

Contractor/Supervisor (contingent from 2/18/88).

Contractor/Supervisor (full from 6/6/88).

Contractor/Supervisor Refresher Course (contingent from 2/23/89).

Inspector/Management Planner (contingent from 1/4/88).

Inspector/Management Planner (full from 2/15/88).

Inspector/Management Planner Refresher Course (contingent from 12/29/88).

(94)(a) *Training Provider:* William L. James Enterprises, Inc.

Address: P.O. Box 1478, Scranton, PA 18501-1478, Contact: William L. James, Phone: (717) 344-5830.

**(b) Approved Courses:**

Abatement Worker Refresher Course (contingent from 11/7/89).

Contractor/Supervisor (contingent from 4/20/88).

Contractor/Supervisor Refresher Course (contingent from 11/7/87).

**REGION IV -- Atlanta, GA*****Regional Asbestos Coordinator:***

Rhonda Evans, EPA, Region IV, 345 Courtland St., NE., Atlanta, GA 30365. (404) 347-3222, (FTS) 257-3222.

*List of Approved Courses:* The following training courses have been approved by EPA. The courses are listed under (b). This approval is subject to the level of certification indicated after the course name. Training Providers are listed in alphabetical order and do not reflect a prioritization. Approvals for Region IV training courses and contact points for each, are as follows:

(1)(a) *Training Provider:* A.S.C. Consultants, Inc.

Address: P.O. Box 31, Waynesville, NC 28786, Contact: Terry LaDuke, Phone: (704) 452-3449.

**(b) Approved Course:**

Abatement Worker (contingent from 6/22/89).

(2)(a) *Training Provider:* AHP Research, Inc.

Address: 3763 Vineyard Way, Marietta, GA 30062, Contact: Dwight Brown, Phone: (404) 565-0061.

**(b) Approved Courses:**

Abatement Worker (contingent from 11/3/89).

Contractor/Supervisor (contingent from 11/13/89).

Contractor/Supervisor Refresher Course (contingent from 1/6/89).

Inspector/Management Planner (interim from 5/28/88 to 12/13/87).

Inspector/Management Planner (full from 12/14/87).

**(3)(a) Training Provider:** ARI Institute.

Address: P.O. Box 60599, Nashville, TN 37206, Contact: Theresa Cook, Phone: (615) 228-3820.

**(b) Approved Course:**

Abatement Worker (contingent from 12/6/89).

**(4)(a) Training Provider:** ASC

Asbestos Training Center.

Address: P.O. Box 291569, Nashville, TN 37229-1569, Contact: Don Hoffman, Phone: (615) 399-2221.

**(b) Approved Courses:**

Abatement Worker (contingent from 2/4/90).

Abatement Worker Refresher Course (contingent from 2/4/90).

Contractor/Supervisor (contingent from 2/4/90).

Inspector/Management Planner (contingent from 2/5/90).

Inspector/Management Planner Refresher Course (contingent from 2/5/90).

Project Designer (contingent from 2/5/90).

(5)(a) *Training Provider:* ATEC Associates, Inc.

Address: 129 West Valley Ave., Birmingham, AL 35209-3691, Contact: Chip Richardson, Phone: (205) 945-9224.

**(b) Approved Courses:**

Abatement Worker (contingent from 4/14/89).

Contractor/Supervisor (contingent from 4/14/89).

Inspector/Management Planner (contingent from 4/14/89).

(6)(a) *Training Provider:* ATI Environmental Services.

Address: P.O. Box 3044, Louisville, KY 40201, Contact: Steve Chappars, Phone: (502) 589-5308.

**(b) Approved Courses:**

Abatement Worker (full from 1/12/88).

Abatement Worker Refresher Course (contingent from 2/21/89).

Contractor/Supervisor (full from 1/12/88).

Contractor/Supervisor Refresher Course (contingent from 2/21/89).

(7)(a) *Training Provider:* American Environmental Safety Institute.

Address: P.O. Box 212116, Columbia, SC 29221-2116, Contact: Kim Cleveland, Phone: (803) 771-7463.

**(b) Approved Courses:**

Abatement Worker (contingent from 1/29/89).

Abatement Worker (full from 6/1/90).

Abatement Worker Refresher Course (contingent from 12/16/88).

Abatement Worker Refresher Course (full from 6/12/90).

Contractor/Supervisor (full from 10/17/88).

Contractor/Supervisor Refresher Course (contingent from 12/16/88).

Contractor/Supervisor Refresher Course (full from 6/13/90).

Inspector/Management Planner (full from 2/8/89).

**(8)(a) Training Provider:** Asbesco, Inc.

Address: P.O. Box 9874, Mobile, AL 36609, Contact: Robert Pettie, Phone: (205) 666-5199.

**(b) Approved Courses:**

Abatement Worker (contingent from 2/22/89).

Abatement Worker (full from 3/7/91).

(9)(a) *Training Provider:* Asbestos Abatement Associates, Inc.

Address: P.O. Box 8178, Spartanburg, SC 29305, Contact: John McNamara, Phone: (803) 582-1222.

**(b) Approved Courses:**

Abatement Worker (contingent from 2/17/89).

Abatement Worker (full from 6/26/89).

Abatement Worker Refresher Course (contingent from 5/1/89).

Abatement Worker Refresher Course (full from 7/19/89).

Contractor/Supervisor (contingent from 3/7/89).

Contractor/Supervisor (full from 7/19/89).

Contractor/Supervisor Refresher Course (contingent from 5/1/89).

Contractor/Supervisor Refresher Course (full from 7/19/89).

Inspector/Management Planner Refresher Course (contingent from 5/1/89).

Inspector/Management Planner Refresher Course (full from 7/31/89).  
 Project Designer (contingent from 11/14/89).  
 Project Designer (full from 1/12/90).  
 Project Designer Refresher Course (contingent from 10/18/89).  
 Project Designer Refresher Course (full from 11/21/89).  
 (10)(a) *Training Provider:* Asbestos Consultants, Inc.  
 Address: P.O. Box 9054, Greensboro, NC 27408, Contact: Thomas Petty, Phone: (919) 275-3907.  
 (b) *Approved Course:*  
 Inspector/Management Planner (contingent from 3/9/88).  
 (11)(a) *Training Provider:* Asbestos Disease Association.  
 Address: 800 West Platt St., Tampa, FL 33706, Contact: John D. Householter, Phone: (813) 254-0003.  
 (b) *Approved Courses:*  
 Contractor/Supervisor (contingent from 12/11/89 to 6/9/91 only).  
 Inspector/Management Planner (contingent from 12/11/89 to 6/9/91 only).  
 (12)(a) *Training Provider:* Asbestos Technical Resource Center, Inc.  
 Address: P.O. Box 2755, Covington, GA 30209-2755, Contact: Timothy E. Fuller, Phone: (404) 361-9182.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 6/2/89).  
 Abatement Worker Refresher Course (full from 6/7/89).  
 Contractor/Supervisor (contingent from 6/2/89).  
 Contractor/Supervisor (full from 8/10/89).  
 Contractor/Supervisor Refresher Course (full from 6/7/89).  
 (13)(a) *Training Provider:* Atlantic Environmental Consulting, Inc.  
 Address: 12200 Southwest 132 Ct., Miami, FL 33186, Contact: Stephan R. Schanmann, Phone: (305) 232-6364.  
 (b) *Approved Course:*  
 Abatement Worker (contingent from 8/11/88 to 6/9/91 only).  
 (14)(a) *Training Provider:* BCM Engineers, Inc.  
 Address: 104 St. Anthony St., P.O. Box 1784, Mobile, AL 36633, Contact: Conrad Freeman, Phone: (205) 433-3981.  
 (b) *Approved Courses:*  
 Inspector/Management Planner (full from 11/11/87).  
 Inspector/Management Planner Refresher Course (contingent from 11/10/88).  
 Inspector/Management Planner Refresher Course (full from 10/16/90).

Project Designer (full from 12/8/87).  
 Project Designer Refresher Course (contingent from 5/4/89).  
 Project Designer Refresher Course (full from 10/17/90).  
 (15)(a) *Training Provider:* Betchel Construction, Inc.  
 Address: P.O. Box 3218, Florida City, FL 33034, Contact: Dave Ellwanger, Phone: (305) 246-6565.  
 (b) *Approved Course:*  
 Abatement Worker (contingent from 3/13/89).  
 (16)(a) *Training Provider:* Big Bend Abatement, Inc.  
 Address: 3542 West Orange Ave., Tallahassee, FL 32310, Contact: Robert Law, Phone: (904) 576-0130.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 4/28/89).  
 Abatement Worker (full from 9/26/90).  
 (17)(a) *Training Provider:* Briggs Associates Int'l. Inc.  
 Address: 4209 Vineland Rd., Suites J-9/10, Orlando, FL 32811, Contact: Edward Nunez, Phone: (407) 422-3522.  
 (b) *Approved Course:*  
 Abatement Worker (contingent from 5/4/89).  
 (18)(a) *Training Provider:* CRU Incorporated.  
 Address: 13029 Middletown Industrial Blvd., Louisville, KY 40223, Contact: Donna Ringo, Phone: (502) 244-8844.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 5/1/89).  
 Contractor/Supervisor (contingent from 5/1/89).  
 Contractor/Supervisor Refresher Course (contingent from 9/1/89).  
 Inspector/Management Planner (contingent from 5/26/89).  
 (19)(a) *Training Provider:* Chemalytics.  
 Address: 33 East 7th St., Covington, KY 41011, Contact: Kenneth Reed, Phone: (606) 431-6224.  
 (b) *Approved Course:*  
 Abatement Worker (contingent from 1/17/90).  
 (20)(a) *Training Provider:* DPC General Contractors, Inc.  
 Address: 250 Arizona Ave., NE., Bldg. A, Atlanta, GA 30307, Contact: Glen Kahler, Phone: (404) 373-0561.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 4/5/88).  
 Abatement Worker (full from 5/9/88).  
 (21)(a) *Training Provider:* Diversified Industries, Inc.

Address: P.O. Box 10452, 7316 Market St., Wilmington, NC 28405, Contact: Greg Hale, Phone: (919) 686-1736.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 1/23/90).  
 Abatement Worker Refresher Course (contingent from 12/13/89).  
 Contractor/Supervisor (contingent from 1/23/90).  
 Contractor/Supervisor Refresher Course (contingent from 12/13/89).  
 (22)(a) *Training Provider:* EEC, Inc.  
 Address: 2245 North Hills Dr., Suite J, Raleigh, NC 27612, Contact: Mike Shrimanker, Phone: (919) 672-8910.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 6/7/89).  
 Abatement Worker (full from 11/16/89).  
 Abatement Worker Refresher Course (contingent from 5/3/89).  
 Abatement Worker Refresher Course (full from 5/1/90).  
 Contractor/Supervisor (contingent from 7/14/89).  
 Contractor/Supervisor (full from 5/3/90).  
 Contractor/Supervisor Refresher Course (contingent from 9/28/89).  
 Contractor/Supervisor Refresher Course (full from 5/2/90).  
 (23)(a) *Training Provider:* ELB & Associates, Inc.  
 Address: 605 Eastowne Dr., Chapel Hill, NC 27514, Contact: Michael L. Cannon, Phone: (919) 493-4471.  
 (b) *Approved Course:*  
 Abatement Worker (contingent from 6/30/88).  
 (24)(a) *Training Provider:* Eagle Environmental Laboratory.  
 Address: 1119 Ellard Rd., Fultondale, AL 35068, Contact: Mark Cambron, Phone: (205) 841-7693.  
 (b) *Approved Course:*  
 Abatement Worker (contingent from 11/14/89).  
 (25)(a) *Training Provider:* Energy Support Services, Inc.  
 Address: P.O. Box 6098, Ashville, NC 28816, Contact: Edward T. Rochelle, Phone: (704) 258-8888.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 11/7/89).  
 Abatement Worker Refresher Course (contingent from 11/8/89).  
 Contractor/Supervisor (contingent from 11/7/89).  
 Contractor/Supervisor Refresher Course (contingent from 11/8/89).  
 Inspector/Management Planner (contingent from 3/5/89).

Inspector/Management Planner  
Refresher Course (contingent from 11/8/89).

(26)(a) *Training Provider:* Enpuricon Asbestos Management.

Address: 3200 Glen Royal Rd., No. 110, Raleigh, NC 27612-7404, Contact: Terry E. Slate, Phone: (919) 781-0886.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/11/89).

Contractor/Supervisor (contingent from 2/6/89).

(27)(a) *Training Provider:* Enviro Science, Inc.

Address: P.O. Box 5804, Spartanburg, SC 29304, Contact: Andrew Schauder, Phone: (803) 585-4900

(b) *Approved Course:*

Inspector/Management Planner (contingent from 9/15/89 to 4/24/91 only).

(28)(a) *Training Provider:* Enviro-Tech.

Address: 550 Comet St., No. 16, P.O. Box 6752, Jacksonville, FL 32236, Contact: Rafael Abrev, Phone: (904) 384-0732.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/28/89 to 7/6/90 only).

Contractor/Supervisor (contingent from 7/11/89 to 7/6/90 only).

(29)(a) *Training Provider:*

Environmental Control Systems Training Institute.

Address: 377 Harrods Woods Rd., Frankfurt, KY 40601, Contact: William A. Sadler, Phone: (502) 896-1245.

(b) *Approved Courses:*

Contractor/Supervisor (contingent from 8/10/89).

Inspector/Management Planner (contingent from 11/6/89).

(30)(a) *Training Provider:*

Environmental Engineering Co., Inc.

Address: 500 Rivermont Rd., Columbia, SC 29210, Contact: Russell Richard, Phone: (803) 256-7846.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/17/89).

Abatement Worker (full from 9/22/89).

Abatement Worker Refresher Course (contingent from 9/28/89).

Abatement Worker Refresher Course (full from 1/31/90).

Contractor/Supervisor (contingent from 2/17/89).

Contractor/Supervisor (full from 9/22/89).

Contractor/Supervisor Refresher Course (contingent from 9/28/89).

Contractor/Supervisor Refresher Course (full from 2/1/90).

(31)(a) *Training Provider:*

Environmental Resources Group.

Address: P.O. Box 18283, Memphis, TN 38181-0283, Contact: Lee C. Thompson, Phone: (901) 366-9160.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/14/88).

Abatement Worker (full from 1/10/91).

(32)(a) *Training Provider:*

Environmental Training Corporation.

Address: 2252 Rocky Ridge Rd., Suite 105, Birmingham, AL 35216, Contact: William E. Hicks, Phone: (800) 677-8761.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/31/89).

Abatement Worker (full from 11/28/90).

Contractor/Supervisor (contingent from 11/1/89).

Contractor/Supervisor (full from 11/29/90).

Contractor/Supervisor Refresher Course (contingent from 11/1/89).

Contractor/Supervisor Refresher Course (full from 11/28/90).

Project Designer (contingent from 10/31/89).

Project Designer (full from 8/1/90).

(33)(a) *Training Provider:* Evans

Environmental & Geological Science & Management, Inc.

Address: 2631 Southwest 27 St., Miami, FL 33133, Contact: Charles Evans, Phone: (305) 856-7458.

(b) *Approved Course:*

Abatement Worker (contingent from 1/31/89).

(34)(a) *Training Provider:* Fayetteville

Technical Community College.

Address: P.O. Box 35236, Fayetteville, NC 28303, Contact: John McNeill, Phone: (919) 323-1961.

(b) *Approved Courses:*

Abatement Worker (contingent from 5/1/89).

Contractor/Supervisor (contingent from 5/1/89).

(35)(a) *Training Provider:* Georgia

Tech. Institute.

Address: O'Keefe Building, Room 029, Atlanta, GA 30332, Contact: Robert D. Schmitter, Phone: (404) 894-3806.

(b) *Approved Courses:*

Contractor/Supervisor (interim from 6/1/85 to 5/10/87).

Contractor/Supervisor (full from 5/11/87).

Contractor/Supervisor Refresher Course (contingent from 9/23/87).

Contractor/Supervisor Refresher Course (full from 7/7/88).

Inspector/Management Planner (contingent from 9/29/87).

Inspector/Management Planner (full from 10/19/87).

Inspector/Management Planner  
Refresher Course (contingent from 10/24/88).

Inspector/Management Planner  
Refresher Course (full from 11/29/88).

Project Designer (contingent from 6/1/88).

Project Designer (full from 6/7/88).

Project Designer Refresher Course (contingent from 1/31/89).

Project Designer Refresher Course (full from 3/22/89).

(36)(a) *Training Provider:* Great Barrier Insulation Co.

Address: Meador Warehouse, Western Dr., Mobile, AL 36607, Contact: Thomas Knotts, Phone: (205) 476-0350.

(b) *Approved Courses:*

Abatement Worker (contingent from 5/13/88).

Abatement Worker (full from 4/4/89).

Abatement Worker Refresher Course (contingent from 3/30/89).

(37)(a) *Training Provider:* Harrison Contracting, Inc.

Address: 3845 Viscount St., Suite 12, Memphis, TN 38118, Contact: Lee C. Thompson, Phone: (901) 795-0432.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/11/88).

Abatement Worker (full from 10/12/88).

(38)(a) *Training Provider:* Howard L. Henson Training Institute.

Address: 3592 Flat Shoals Rd., Decatur, GA 30034, Contact: Stephen Henson, Phone: (404) 243-5107.

(b) *Approved Course:*

Abatement Worker (full from 2/16/88).

(39)(a) *Training Provider:*

International Association of Heat & Frost Insulation & Asbestos Workers Local Union No. 13.

Address: 145 East First St., Jacksonville, FL 32206, Contact: Tom Mallard, Phone: (904) 388-1601.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/23/89).

Abatement Worker (full from 7/27/90).

Abatement Worker Refresher Course (contingent from 1/23/89).

Abatement Worker Refresher Course (full from 6/14/90).

Contractor/Supervisor (contingent from 1/23/89).

Contractor/Supervisor (full from 4/24/89).

Contractor/Supervisor Refresher Course (contingent from 1/23/89).

Contractor/Supervisor Refresher Course (full from 6/15/90).

(40)(a) *Training Provider:*

International Association of Heat &

Frost Insulators & Asbestos Workers  
Local Union No. 46.  
Address: 7111 Wright Rd., Knoxville, TN  
37931, Contact: John Wade, Phone:  
(615) 938-1274.

(b) *Approved Courses:*

Abatement Worker (full from 10/11/88).  
Abatement Worker Refresher Course  
(contingent from 8/16/89).  
Abatement Worker Refresher Course  
(full from 11/8/89).  
Contractor/Supervisor (full from 1/9/  
89).  
Contractor/Supervisor Refresher Course  
(contingent from 10/11/88).  
Contractor/Supervisor Refresher Course  
(full from 11/9/89).

(41)(a) *Training Provider:*

International Association of Heat &  
Frost Insulators & Asbestos Workers  
Local Union No. 48.

Address: 7815 Old Morrow Rd., Atlanta,  
GA 30316, Contact: Timothy Fuller,  
Phone: (404) 478-1393.

(b) *Approved Courses:*

Abatement Worker (full from 5/4/88).  
Contractor/Supervisor (full from 6/27/  
88).  
Contractor/Supervisor Refresher Course  
(full from 11/2/88).  
Inspector (contingent from 9/26/88).  
Inspector (full from 9/28/88).

(42)(a) *Training Provider:*

International Association of Heat &  
Frost Insulators & Asbestos Workers  
Local Union No. 60.

Address: 13000 Northwest 47th Ave.,  
Miami, FL 33054, Contact: David  
Cleveland, Phone: (305) 681-0679.

(b) *Approved Courses:*

Abatement Worker (full from 11/15/88).  
Contractor/Supervisor (full from 12/12/  
88).

(43)(a) *Training Provider:*

International Association of Heat &  
Frost Insulators & Asbestos Workers  
Local Union No. 67.

Address: 7930 U.S. Hwy. 301 N., Tampa,  
FL 33637, Contact: Don Tucker, Phone:  
(813) 985-3067.

(b) *Approved Courses:*

Abatement Worker (full from 8/23/89).  
Abatement Worker Refresher Course  
(contingent from 11/15/89).  
Abatement Worker Refresher Course  
(full from 11/29/89).  
Contractor/Supervisor (full from 11/29/  
88).  
Contractor/Supervisor Refresher Course  
(contingent from 11/15/89).  
Contractor/Supervisor Refresher Course  
(full from 11/28/89).

(44)(a) *Training Provider:*

International Association of Heat &  
Frost Insulators & Asbestos Workers  
Local Union No. 72.

Address: 2513 Adams St., Wilmington,  
NC 28401, Contact: Mike Harrell,  
Phone: (919) 343-1730.

(b) *Approved Course:*

Abatement Worker (full from 8/10/88).

(45)(a) *Training Provider:*

International Association of Heat &  
Frost Insulators & Asbestos Workers  
Local Union No. 78.

Address: 600 Main St., Gardendale, AL  
35071, Contact: Bill Boothe, Phone:  
(205) 631-5236.

(b) *Approved Courses:*

Abatement Worker (full from 10/25/88).  
Abatement Worker Refresher Course  
(full from 2/21/91).  
Contractor/Supervisor (contingent from  
12/6/89).

Contractor/Supervisor (full from 3/29/  
91).

Contractor/Supervisor Refresher Course  
(full from 5/17/89).

(46)(a) *Training Provider:*

International Association of Heat &  
Frost Insulators & Asbestos Workers  
Local Union No. 86.

Address: 4822 Charlotte Ave., Nashville,  
TN 37209, Contact: Don Cundiff,  
Phone: (615) 297-7127.

(b) *Approved Courses:*

Abatement Worker (full from 7/10/89).  
Contractor/Supervisor (full from 7/10/  
89).

(47)(a) *Training Provider:*

International Association of Heat &  
Frost Insulators & Asbestos Workers  
Local Union No. 96.

Address: P.O. Box 623, Pooler, GA  
31322-0623, Contact: Kem Dugger,  
Phone: (912) 748-6282.

(b) *Approved Courses:*

Abatement Worker (full from 7/26/88).  
Abatement Worker Refresher Course  
(full from 8/17/89).  
Contractor/Supervisor (full from 9/13/  
88).

Contractor/Supervisor Refresher Course  
(full from 8/17/89).

(48)(a) *Training Provider:* Kentucky  
Laborers Training Trust Fund.

Address: US 127 Bypass South, P.O. Box  
208, Lawrenceburg, KY 40342, Contact:  
David Vinson, Phone: (502) 839-3155.

(b) *Approved Course:*

Abatement Worker (contingent from 1/  
10/89).

(49)(a) *Training Provider:* LCI Training  
Institute.

Address: 1432 Jocasta Dr., Lexington, KY  
40502-5320, Contact: John F.  
Summersett, Phone: (606) 273-8881.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/  
9/88).

Contractor/Supervisor (contingent from  
6/9/88).

(50)(a) *Training Provider:* Laborers  
District Council of Southeast Florida.

Address: 799 Northwest 62nd St., Miami,  
FL 33510, Contact: Albert Houston,  
Phone: (305) 754-2659.

(b) *Approved Course:*

Abatement Worker (full from 3/15/88).

(51)(a) *Training Provider:* Laborers  
Local Union No. 517 North & Central  
Florida Education & Training Fund.

Address: 4625 Old Wintergarden Rd.,  
Bldg. A-6, Orlando, FL 32811, Contact:  
Patrick O' Donnell, Phone: (407) 298-  
3446.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/  
6/88).

Abatement Worker Refresher Course  
(contingent from 9/22/89).

(52)(a) *Training Provider:* Lang  
Engineering of Florida, Inc.

Address: 5432 Commerce Park Blvd.,  
Tampa, FL 33610, Contact: Robert  
Lang, Phone: (813) 622-8311.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/  
17/89).

Abatement Worker (full from 4/2/90).  
Abatement Worker Refresher Course  
(contingent from 8/9/89).

Abatement Worker Refresher Course  
(full from 5/22/91).

(53)(a) *Training Provider:* Laseter &  
Associates, Inc.

Address: P.O. Box 176, Collierville, TN  
38017, Contact: Kenneth M. Laseter,  
Phone: (800) 456-8617.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/  
7/89).

Contractor/Supervisor (contingent from  
11/7/89).

Inspector/Management Planner  
(contingent from 11/7/89).

Inspector/Management Planner  
Refresher Course (contingent from 11/  
8/89).

(54)(a) *Training Provider:* Law  
Engineering, Inc.

Address: 7616 Southland Blvd., Suite  
110, Orlando, FL 32809, Contact: Diana  
Rigdon, Phone: (407) 855-8740.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/  
1/89).

Contractor/Supervisor (contingent from  
9/1/89).

(55)(a) *Training Provider:* Mississippi  
State University, Dept. of Continuing  
Education.

Address: Memorial Hall-Bar Ave., P.O. Drawer 5247, Mississippi State, MS 39762-5247, Contact: Billy G. Smith, Phone: (601) 325-3473.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/15/88).

Abatement Worker (full from 3/22/90).

Contractor/Supervisor (contingent from 7/19/88).

Contractor/Supervisor (full from 6/29/89).

Contractor/Supervisor Refresher Course (contingent from 5/26/89).

Contractor/Supervisor Refresher Course (full from 3/19/90).

Inspector/Management Planner (full from 6/20/88).

Inspector/Management Planner Refresher Course (contingent from 5/26/89).

Inspector/Management Planner Refresher Course (full from 5/15/91).

Project Designer (contingent from 12/15/88).

Project Designer Refresher Course (contingent from 5/26/89).

Project Designer Refresher Course (full from 5/16/91).

(56)(a) *Training Provider:* Mobile Asbestos Resource Services, Inc.

Address: 10 Airport Lane, Archer, FL 32618, Contact: Walter Heope, Phone: (904) 495-9214.

(b) *Approved Course:*

Abatement Worker (contingent from 12/6/89).

(57)(a) *Training Provider:* Mur-Shel, Inc. Asbestos Abatement.

Address: 518 South Mulberry, Panama City, FL 32401, Contact: Lois Shelton, Phone: (904) 763-2010.

(b) *Approved Courses:*

Contractor/Supervisor (contingent from 9/1/89).

Contractor/Supervisor (full from 2/22/91).

(58)(a) *Training Provider:* Napri/Cisco.

Address: 4545 St. Augustine Rd., Jacksonville, FL 32207, Contact: Otey C. Reynolds, Phone: (904) 730-2222.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/13/89).

Abatement Worker Refresher Course (contingent from 10/16/89).

Contractor/Supervisor (contingent from 10/13/89).

Contractor/Supervisor Refresher Course (contingent from 10/16/89).

Inspector/Management Planner (contingent from 10/13/89).

Inspector/Management Planner Refresher Course (contingent from 10/16/89).

Project Designer (contingent from 10/13/89).

Project Designer Refresher Course (contingent from 10/16/89).

(59)(a) *Training Provider:* National Asbestos Council (NAC) Training Dept.

Address: 1777 Northeast Expressway, Suite 150, Atlanta, GA 30329, Contact: Zachary S. Cowan, III, Phone: (404) 633-2622.

(b) *Approved Courses:*

Abatement Worker (interim from 7/1/86 to 6/1/87).

Abatement Worker (full from 7/1/87).

Abatement Worker Refresher Course (contingent from 2/8/89).

Abatement Worker Refresher Course (full from 9/17/90).

(60)(a) *Training Provider:* National Monitoring Labs, Inc.

Address: 1400 North 46th St., Suite V-28, Tampa, FL 33613, Contact: Gil Bakshi, Phone: (800) 347-3414.

(b) *Approved Courses:*

Contractor/Supervisor (contingent from 4/14/89).

Contractor/Supervisor (full from 3/22/90).

Contractor/Supervisor Refresher Course (contingent from 5/23/89).

Inspector/Management Planner (contingent from 4/14/89).

Inspector/Management Planner (full from 1/19/90).

Inspector/Management Planner Refresher Course (contingent from 5/23/89).

(61)(a) *Training Provider:* Occupational Training Academy, Inc.

Address: 8409 Laurel Fair Circle, Suite 102, Tampa, FL 33610, Contact: John Burke, Phone: (813) 621-5586.

(b) *Approved Course:*

Abatement Worker (contingent from 1/17/90).

(62)(a) *Training Provider:* PDR Engineers, Inc.

Address: 2000 Lindell Ave., Nashville, TN 37203, Contact: Ayaja K. Upaphyaya, Phone: (615) 298-2065.

(b) *Approved Course:*

Inspector (contingent from 9/15/88).

(63)(a) *Training Provider:* Practical Environmental Training Institute.

Address: 230 S. Tryon St., Suite 910, Charlotte, NC 28221-6308, Contact: Dianne Christenbery, Phone: (704) 375-9382.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/20/88).

Abatement Worker (full from 10/24/88).

Abatement Worker Refresher Course (contingent from 6/18/89).

Contractor/Supervisor (contingent from 1/17/89).

Contractor/Supervisor (full from 3/20/89).

Contractor/Supervisor Refresher Course (contingent from 6/18/89).

Contractor/Supervisor Refresher Course (full from 2/6/90).

(64)(a) *Training Provider:* Republic Industries, Inc.

Address: P.O. Box 5565, Station 1, Wilmington, NC 28403, Contact: Gerry Phelps, Phone: (919) 799-2664.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/23/89).

Abatement Worker (full from 1/24/90).

Abatement Worker Refresher Course (contingent from 5/5/89).

Abatement Worker Refresher Course (full from 1/25/90).

Contractor/Supervisor (contingent from 9/22/89).

Contractor/Supervisor (full from 4/20/90).

Contractor/Supervisor Refresher Course (contingent from 6/5/89).

Contractor/Supervisor Refresher Course (full from 12/11/90).

(65)(a) *Training Provider:* Retra Services, Inc.

Address: 1730 U.S. Alt. 19 South, Suite H, Tarpon Springs, FL 34689, Contact: Phillip Paroff, Phone: (800) 548-5848.

(b) *Approved Courses:*

Abatement Worker (full from 1/24/89).

Abatement Worker Refresher Course (contingent from 12/29/88).

Abatement Worker Refresher Course (full from 1/24/89).

(66)(a) *Training Provider:* SASSI.

Address: 1550 Pumphrey Ave., Auburn, AL 36830, Contact: William Shell, Phone: (800) 633-5471.

(b) *Approved Course:*

Abatement Worker (contingent from 1/4/89).

(67)(a) *Training Provider:* Seagull Environmental Management Asbestos Consulting & Training Systems.

Address: 903 Northwest 6th Ave., Ft. Lauderdale, FL 33311, Contact: James F. Stump, Phone: (305) 524-7208.

(b) *Approved Courses:*

Abatement Worker (full from 5/8/88).

Abatement Worker Refresher Course (contingent from 9/22/89).

Contractor/Supervisor (contingent from 2/22/89).

Contractor/Supervisor (full from 7/12/90).

Contractor/Supervisor Refresher Course (contingent from 9/22/89).

Inspector/Management Planner (contingent from 10/30/89).

Inspector/Management Planner  
Refresher Course (contingent from 11/  
1/89).

(68)(a) *Training Provider:* Southeast  
Asbestos Free Environments, Inc.  
Address: 350 South Second Ave., P.O.  
Box 51267, Jacksonville Beach, FL  
32250, Contact: Jim Ilardi, Phone: (904)  
246-8000.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/  
15/88).

Contractor/Supervisor (contingent from  
1/18/89).

(69)(a) *Training Provider:* Technical  
Abatement Service, Inc.

Address: 897 East Lemon St., Bartow, FL  
33830, Contact: John W. Pevy, Phone:  
(813) 533-0885.

(b) *Approved Course:*

Abatement Worker (contingent from 6/  
21/89).

(70)(a) *Training Provider:* Technical  
Education Resources, Inc.

Address: 2212 Swann Ave., Suite D,  
Tampa, FL 33606, Contact: Robert  
Greene, Phone: (813) 251-1095.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/  
16/89).

Abatement Worker Refresher Course  
(contingent from 11/14/89).

Contractor/Supervisor (contingent from  
11/16/89).

Contractor/Supervisor Refresher Course  
(contingent from 11/14/89).

Inspector/Management Planner  
(contingent from 11/16/89).

Inspector/Management Planner  
Refresher Course (contingent from 11/  
14/89).

(71)(a) *Training Provider:* Technical  
Environmental Service Training Institute  
(T.E.S.T).

Address: Box 28210, Raleigh, NC 27611-  
8210, Contact: Dennis Mast, Phone:  
(800) 868-7246.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/  
22/89).

Abatement Worker (full from 7/7/89).

Abatement Worker Refresher Course  
(contingent from 7/18/89).

Abatement Worker Refresher Course  
(full from 3/29/90).

Contractor/Supervisor (contingent from  
4/14/89).

Contractor/Supervisor Refresher Course  
(contingent from 10/20/89).

Inspector/Management Planner  
(contingent from 7/7/89).

Inspector/Management Planner (full  
from 5/24/91).

Inspector/Management Planner  
Refresher Course (contingent from 10/  
20/89).

Inspector/Management Planner  
Refresher Course (full from 5/21/91).

(72)(a) *Training Provider:* Technical  
Training Institute.

Address: 4124 Clemson Blvd., Anderson,  
SC 29621, Contact: Bill Martin, Phone:  
(803) 226-3622.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/  
13/89).

Abatement Worker Refresher Course  
(contingent from 10/17/89).

Abatement Worker Refresher Course  
(full from 4/30/91).

Contractor/Supervisor (contingent from  
11/13/89).

Contractor/Supervisor (full from 9/7/  
90).

Contractor/Supervisor Refresher Course  
(contingent from 10/17/89).

Contractor/Supervisor Refresher Course  
(full from 5/1/91).

Inspector/Management Planner  
(contingent from 11/13/89).

Inspector/Management Planner  
Refresher Course (contingent from 10/  
17/89).

Project Designer (contingent from 11/13/  
89).

Project Designer Refresher Course  
(contingent from 10/17/89).

(73)(a) *Training Provider:* Tennessee  
Environmental Services.

Address: 1804 Williamson Ct.,  
Brentwood, TN 37027, Contact: Gary J.  
Lang, Phone: (615) 373-8792.

(b) *Approved Courses:*

Abatement Worker (contingent from 5/  
26/89).

Abatement Worker (full from 8/15/90).

Abatement Worker Refresher Course  
(contingent from 11/1/89).

Abatement Worker Refresher Course  
(full from 8/17/90).

Contractor/Supervisor (contingent from  
5/26/89).

Contractor/Supervisor (full from 5/16/  
91).

Contractor/Supervisor Refresher Course  
(contingent from 11/1/89).

Contractor/Supervisor Refresher Course  
(full from 8/16/90).

(74)(a) *Training Provider:* Testwell  
Craig Labs of Florida, Inc.

Address: 7104 North 51st St., Miami, FL  
33166, Contact: George W. Stowell,  
Phone: (305) 593-0561.

(b) *Approved Course:*

Abatement Worker (contingent from 9/  
8/89).

(75)(a) *Training Provider:* The  
Environmental Institute.

Address: COBB Corporate Center/300,  
350 Franklin Rd., Marietta, GA 30067,  
Contact: Eva Clay, Phone: (404) 425-  
2000.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/  
10/87).

Abatement Worker (full from 5/2/88).

Contractor/Supervisor (contingent from  
12/10/87).

Contractor/Supervisor (full from 2/1/  
88).

Contractor/Supervisor Refresher Course  
(full from 5/19/88).

Inspector/Management Planner  
(contingent from 12/10/87).

Inspector/Management Planner (full  
from 1/25/88).

Inspector/Management Planner  
Refresher Course (full from 11/8/88).

Project Designer (contingent from 2/5/  
88).

Project Designer (full from 2/9/88).

Project Designer Refresher Course  
(contingent from 4/17/89).

Project Designer Refresher Course (full  
from 4/19/89).

(76)(a) *Training Provider:* University  
of Alabama, Tuscaloosa College of  
Continuing Studies.

Address: P.O. Box 870388, Tuscaloosa,  
AL 35486-0388, Contact: Dennis  
Daniels, Phone: (800) 452-5923.

(b) *Approved Courses:*

Abatement Worker (full from 4/5/88).

Abatement Worker Refresher Course  
(contingent from 11/13/89).

Abatement Worker Refresher Course  
(full from 3/4/91).

Contractor/Supervisor Refresher Course  
(contingent from 11/13/89).

Contractor/Supervisor Refresher Course  
(full from 3/4/91).

Inspector/Management Planner (full  
from 5/16/88).

Inspector/Management Planner  
Refresher Course (contingent from 11/  
13/89).

Inspector/Management Planner  
Refresher Course (full from 5/8/90).

(77)(a) *Training Provider:* University  
of Alabama-Birmingham Deep South  
Center.

Address: Birmingham, AL 35294,  
Contact: Elizabeth Murry, Phone: (205)  
934-7032.

(b) *Approved Courses:*

Inspector/Management Planner  
(contingent from 3/21/88).

Inspector/Management Planner (full  
from 3/21/88).

Inspector/Management Planner  
Refresher Course (contingent from 3/  
3/89).

Inspector/Management Planner  
Refresher Course (full from 7/30/90).

(78)(a) *Training Provider:* University  
of Florida TREEO Center.

Address: 3900 Southwest 63rd Blvd., Gainesville, FL 32608, Contact: Shari O'Brien, Phone: (904) 392-9570.

**(b) Approved Courses:**

Abatement Worker (contingent from 8/12/88).  
 Abatement Worker Refresher Course (contingent from 1/24/89).  
 Contractor/Supervisor (interim from 2/9/87 to 4/30/87).  
 Contractor/Supervisor (full from 5/1/87).  
 Contractor/Supervisor Refresher Course (contingent from 1/17/89).  
 Inspector/Management Planner (interim from 1/27/87 to 12/14/87).  
 Inspector/Management Planner (contingent from 2/5/88).  
 Inspector/Management Planner (full from 2/15/88).  
 Inspector/Management Planner Refresher Course (contingent from 10/18/89).

**(79)(a) Training Provider:** University of Kentucky, College of Engineering Continuing Education.

Address: CRMS Building, Room 320, Lexington, KY 40506-0108, Contact: Liz Haden, Phone: (606) 257-3972.

**(b) Approved Courses:**

Inspector/Management Planner (full from 2/15/88).  
 Inspector/Management Planner Refresher Course (contingent from 3/3/89).

**(80)(a) Training Provider:** University of North Carolina, Occupational Safety & Health Educational Resource Center.

Address: 109 Conner Dr., Suite 1101, Chapel Hill, NC 27514, Contact: Larry Hyde, Phone: (919) 962-2101.

**(b) Approved Courses:**

Abatement Worker (contingent from 12/11/89).  
 Contractor/Supervisor (contingent from 6/1/88).  
 Contractor/Supervisor (full from 6/6/88).  
 Contractor/Supervisor Refresher Course (contingent from 6/7/89).  
 Contractor/Supervisor Refresher Course (full from 2/5/91).  
 Inspector/Management Planner (contingent from 11/9/87).  
 Inspector/Management Planner (full from 11/9/87).  
 Inspector/Management Planner Refresher Course (contingent from 12/15/88).  
 Inspector/Management Planner Refresher Course (full from 2/4/91).  
 Project Designer (contingent from 5/2/89).  
 Project Designer Refresher Course (contingent from 6/22/89).  
 Project Designer Refresher Course (full from 2/6/91).

**(81)(a) Training Provider:** University of North Florida, Division of Continuing Education & Extension Environmental Ed. & Safety Institute.

Address: 4567 St. Johns Bluff Rd., South Jacksonville, FL 32216, Contact: Elaine Puri, Phone: (904) 646-2690.

**(b) Approved Courses:**

Abatement Worker (contingent from 9/1/89).  
 Abatement Worker (full from 5/16/90).  
 Abatement Worker Refresher Course (contingent from 8/25/89).  
 Abatement Worker Refresher Course (full from 5/16/90).  
 Contractor/Supervisor (contingent from 9/1/89).  
 Contractor/Supervisor (full from 5/17/91).  
 Contractor/Supervisor Refresher Course (contingent from 8/25/89).  
 Contractor/Supervisor Refresher Course (full from 5/17/90).  
 Inspector/Management Planner (contingent from 9/1/89).  
 Inspector/Management Planner (full from 7/27/90).

**(82)(a) Training Provider:** University of South Carolina Medical (MUSC) Dept. of Environmental Health.

Address: 171 Ashley Ave., Charleston, SC 29425, Contact: Jan Temple, Phone: (803) 792-5315.

**(b) Approved Courses:**

Abatement Worker (full from 12/19/88).  
 Abatement Worker Refresher Course (contingent from 2/2/89).  
 Abatement Worker Refresher Course (full from 7/18/89).  
 Contractor/Supervisor (full from 3/8/88).  
 Contractor/Supervisor Refresher Course (contingent from 2/2/89).  
 Contractor/Supervisor Refresher Course (full from 5/3/89).  
 Inspector/Management Planner (full from 3/1/88).  
 Inspector/Management Planner Refresher Course (contingent from 2/2/89).  
 Inspector/Management Planner Refresher Course (full from 5/2/89).

**(83)(a) Training Provider:** University of South Carolina, School of Public Health, c/o Azimuth Inc.

Address: 388 St. Andrews Rd., Columbia, SC 29210, Contact: Donald Cobb, Phone: (803) 798-2343.

**(b) Approved Courses:**

Abatement Worker (contingent from 6/9/89).  
 Abatement Worker (full from 12/7/89).  
 Contractor/Supervisor (contingent from 5/5/89).  
 Contractor/Supervisor (full from 8/21/89).

Contractor/Supervisor Refresher Course (contingent from 5/24/89).

Contractor/Supervisor Refresher Course (full from 9/20/89).

**(84)(a) Training Provider:** Westinghouse Environmental & Geotechnical Services, Inc.

Address: 3980 Dekalb Technology Parkway, Suite 700, Atlanta, GA 30340, Contact: Russell Dukes, Phone: (404) 452-1911.

**(b) Approved Courses:**

Abatement Worker (contingent from 3/8/89).  
 Contractor/Supervisor (contingent from 7/18/89).  
 Inspector/Management Planner (contingent from 1/3/90).

**(85)(a) Training Provider:** Weston, Inc.  
 Address: 1635 Pumphrey Ave., Auburn, AL 36830-4303, Contact: David Whittington, Phone: (205) 826-6100.

**(b) Approved Courses:**

Abatement Worker (contingent from 6/13/88).  
 Abatement Worker (full from 11/1/90).  
 Contractor/Supervisor (contingent from 10/13/88).  
 Contractor/Supervisor (full from 5/15/89).  
 Contractor/Supervisor Refresher Course (contingent from 1/31/89).  
 Contractor/Supervisor Refresher Course (full from 9/25/89).  
 Inspector/Management Planner (contingent from 3/25/88).  
 Inspector/Management Planner (full from 9/27/89).  
 Inspector/Management Planner Refresher Course (contingent from 12/15/88).  
 Inspector/Management Planner Refresher Course (full from 3/17/89).  
 Project Designer (contingent from 8/23/88).  
 Project Designer (full from 3/8/90).  
 Project Designer Refresher Course (contingent from 1/31/89).  
 Project Designer Refresher Course (full from 9/26/89).

**(86)(a) Training Provider:** Williams & Associates, Inc., Environmental Training Center.

Address: 460 Tennessee St., Memphis, TN 38103, Contact: Ruth Williams, Phone: (901) 521-9030.

**(b) Approved Courses:**

Abatement Worker (contingent from 2/18/88).  
 Abatement Worker (full from 4/18/88).  
 Abatement Worker Refresher Course (contingent from 5/1/89).  
 Abatement Worker Refresher Course (full from 1/29/90).



Contractor/Supervisor (contingent from 2/18/88).  
 Contractor/Supervisor (full from 4/18/88).  
 Contractor/Supervisor Refresher Course (contingent from 5/1/89).  
 Contractor/Supervisor Refresher Course (full from 1/29/90).

#### REGION V -- Chicago, IL

*Regional Asbestos Coordinator:*  
 Anthony Restaino, EPA, Region V, 230 S. Dearborn St., (5SPP-TUB11), Chicago, IL 60604. (312) 886-6003, (FTS) 886-6003.

*List of Approved Courses:* The following training courses have been approved by EPA. The courses are listed under (b). This approval is subject to the level of certification indicated after the course name. Training Providers are listed in alphabetical order and do not reflect a prioritization. Approvals for Region V training courses and contact points for each, are as follows:

(1)(a) *Training Provider:* Abatement Training Institute, Inc.

Address: P.O. Box 26835, Columbus, OH 43226-0835, Contact: Steven Ritchie, Phone: (614) 267-0908.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/1/88).

Abatement Worker Refresher Course (contingent from 4/25/89).

(2)(a) *Training Provider:* Advanced Mechanical Insulation, Inc.

Address: 205 West Randolph St., Suite 1050, Chicago, IL 60606, Contact: Jeffery M. Bertrand, Phone: (312) 704-9494.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/2/89).

Contractor/Supervisor (contingent from 3/2/89).

(3)(a) *Training Provider:* Affiliated Environmental Services, Inc.

Address: 3606 Venice Rd., Sandusky, OH 44870, Contact: Jack Dauch, Phone: (419) 627-1976.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/14/88).

Abatement Worker (full from 10/24/88).

Abatement Worker Refresher Course (contingent from 2/2/89).

Contractor/Supervisor (contingent from 12/29/88).

Contractor/Supervisor (full from 2/27/89).

Contractor/Supervisor Refresher Course (contingent from 2/2/89).

Inspector/Management Planner (contingent from 5/30/89).

(4)(a) *Training Provider:* Alderink & Associates, Inc.

Address: 3221 Three Mile Rd., NW., Grand Rapids, MI 49504, Contact: Deborah C. Alderink, Phone: (616) 791-0730.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/15/88).

Abatement Worker (full from 9/6/88).

Abatement Worker Refresher Course (contingent from 9/1/88).

Abatement Worker Refresher Course (full from 9/6/88).

Contractor/Supervisor (contingent from 7/15/88).

Contractor/Supervisor (full from 9/19/88).

Contractor/Supervisor Refresher Course (contingent from 12/1/88).

(5)(a) *Training Provider:* American Environmental Institute.

Address: Main Campus, Plaza West, Cleveland, OH 44116, Contact: Gary P. Block, Phone: (216) 333-6225.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/15/88).

Abatement Worker Refresher Course (contingent from 12/8/88).

Contractor/Supervisor (contingent from 9/1/88).

Contractor/Supervisor Refresher Course (contingent from 12/6/88).

Inspector/Management Planner (contingent from 11/14/88).

(6)(a) *Training Provider:* American Environmental Training Institute, Inc., (Formerly American Asbestos, Institute, Inc.).

Address: Box 7477, Springfield, IL 62791, Contact: Donald G. Handy, Phone: (217) 523-8747.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/29/89).

Abatement Worker (full from 8/14/89).

Abatement Worker Refresher Course (contingent from 8/31/89).

Contractor/Supervisor (contingent from 3/29/89).

Contractor/Supervisor (full from 8/14/89).

Contractor/Supervisor Refresher Course (contingent from 9/11/89).

Inspector/Management Planner (contingent from 3/29/89).

Inspector/Management Planner Refresher Course (contingent from 9/11/89).

Project Designer Refresher Course (contingent from 9/19/89).

(7)(a) *Training Provider:* American Industrial Hygiene Association.

Address: 475 Wolf Ledges Pkwy., Akron, OH 44311-1087, Contact: Mary Christ, Phone: (216) 762-7294.

(b) *Approved Course:*

Contractor/Supervisor (contingent from 2/23/89).

(8)(a) *Training Provider:* Applied Environmental Sciences, Inc.

Address: Minneapolis Business & Technology, Center, 511 11th Ave. S., Minneapolis, MN 55415, Contact: Franklin H. Dickson, Phone: (612) 339-5559.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/30/88).

Abatement Worker Refresher Course (contingent from 3/16/89).

Contractor/Supervisor (contingent from 2/7/89).

Contractor/Supervisor Refresher Course (contingent from 3/16/89).

Inspector/Management Planner (contingent from 10/17/89).

Inspector/Management Planner Refresher Course (contingent from 10/16/89).

(9)(a) *Training Provider:* Aries Environmental Services, Ltd.

Address: 1550 Hubbard, Batavia, IL 60510, Contact: Dennis Cesarotti, Phone: (312) 879-3006.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/13/88).

Abatement Worker Refresher Course (contingent from 1/18/89).

(10)(a) *Training Provider:* Asbestech, Inc.

Address: 326 Front St., Marietta, OH 45750, Contact: Phillip Lee, Phone: (614) 373-0714.

(b) *Approved Course:*

Abatement Worker (contingent from 11/9/89).

(11)(a) *Training Provider:* Asbestos Abatement, Inc.

Address: 2420 N. Grand River, Lansing, MI 48906, Contact: Shawn O'Callaghan, Phone: (517) 323-0053.

(b) *Approved Course:*

Abatement Worker (contingent from 7/6/88).

(12)(a) *Training Provider:* Asbestos Consulting Group, Inc.

Address: P.O. Box 3157, La Crosse, WI 54602-3157, Contact: Larry Lienau, Phone: (608) 782-1670.

(b) *Approved Courses:*

Contractor/Supervisor (contingent from 7/12/88).

Inspector/Management Planner (contingent from 10/14/88).

(13)(a) *Training Provider:* Asbestos Management, Inc.

Address: 36700 South Huron, Suite 104, New Boston, MI 48164, Contact: LaDonna Shifco, Phone: (313) 961-6135.

**(b) Approved Courses:**

Abatement Worker (contingent from 8/12/88).

Abatement Worker Refresher Course (contingent from 1/4/89).

Contractor/Supervisor (contingent from 8/18/87).

Inspector/Management Planner (contingent from 1/26/88).

Inspector/Management Planner (full from 2/1/88).

Inspector/Management Planner Refresher Course (contingent from 11/14/88).

**(14)(a) Training Provider:** Asbestos Professional Services, Inc.

Address: 501 North Second St., Breese, IL 62230, Contact: Donald T. Anderson, Phone: (618) 526-2742.

**(b) Approved Courses:**

Abatement Worker (contingent from 10/13/89).

Abatement Worker Refresher Course (contingent from 10/9/89).

Contractor/Supervisor (contingent from 10/13/89).

Contractor/Supervisor Refresher Course (contingent from 10/9/89).

**(15)(a) Training Provider:** Asbestos Removal Inc.

Address: Waterworks Rd., P.O. Box 522, Wabash, IN 46992, Contact: Karen S. Eckman, Phone: (219) 563-2407.

**(b) Approved Courses:**

Abatement Worker (contingent from 12/18/89).

Abatement Worker Refresher Course (contingent from 12/20/89).

**(16)(a) Training Provider:** Asbestos Roofing Technology, Inc.

Address: P.O. Box 211, Lyons, IL 60534, Contact: Jay E. Refieuna, Phone: (312) 352-0400.

**(b) Approved Course:**

Abatement Worker (contingent from 4/13/89).

**(17)(a) Training Provider:** Asbestos Services, Inc.

Address: P.O. Box 141, Baroda, MI 49101, Contact: Dennis W. Calkins, Phone: (616) 422-2174.

**(b) Approved Courses:**

Abatement Worker (contingent from 8/12/88).

Abatement Worker Refresher Course (contingent from 3/17/89).

Contractor/Supervisor (contingent from 8/12/88).

Contractor/Supervisor Refresher Course (contingent from 3/17/89).

**(18)(a) Training Provider:** Asbestos Technology & Training, Inc.

Address: 1186 Summit Ave., St. Paul, MN 55105, Contact: James D. Risimini, Phone: (612) 290-0342.

**(b) Approved Courses:**

Abatement Worker (contingent from 7/27/88).

Abatement Worker Refresher Course (contingent from 2/7/89).

Contractor/Supervisor (contingent from 7/27/88).

Contractor/Supervisor Refresher Course (contingent from 2/7/89).

Inspector/Management Planner (contingent from 7/27/88).

Inspector/Management Planner Refresher Course (contingent from 2/7/89).

**(19)(a) Training Provider:** Asbestos Training & Employment, Inc. (ATEI).

Address: 809 East 11th St., Michigan City, IN 46360, Contact: Tom Dwyer, Phone: (219) 874-7348.

**(b) Approved Courses:**

Abatement Worker (contingent from 1/15/88).

Abatement Worker (full from 5/18/88).

Abatement Worker Refresher Course (contingent from 12/11/88).

Contractor/Supervisor (contingent from 1/19/88).

Contractor/Supervisor (full from 6/20/88).

Contractor/Supervisor Refresher Course (contingent from 12/11/88).

Inspector/Management Planner (contingent from 5/13/88).

Inspector/Management Planner Refresher Course (contingent from 12/11/88).

**(20)(a) Training Provider:** Asbestos Workers Council.

Address: 1216 East McMillan St., Room 107, Cincinnati, OH 45206, Contact: Richard Black, Phone: (513) 221-5969.

**(b) Approved Course:**

Abatement Worker (contingent from 10/31/88).

**(21)(a) Training Provider:** Astesco Laboratory, Inc.

Address: P.O. Box 517, Cloverdale, IN 46120, Contact: Donald R. Allen, Phone: (317) 795-4724.

**(b) Approved Courses:**

Abatement Worker (full from 10/31/88).

Abatement Worker Refresher Course (contingent from 2/7/89).

Contractor/Supervisor (contingent from 2/23/89).

Contractor/Supervisor Refresher Course (contingent from 2/23/89).

**(22)(a) Training Provider:** BDN Industrial Hygiene Consultants.

Address: 8105 Valleywood Lane, Portage, MI 49002, Contact: Keith Nichols, Phone: (616) 329-1237.

**(b) Approved Courses:**

Abatement Worker (contingent from 3/1/88).

Contractor/Supervisor (contingent from 10/1/87).

Contractor/Supervisor Refresher Course (contingent from 9/15/88).

Inspector/Management Planner (contingent from 1/15/88).

Inspector/Management Planner (full from 2/15/88).

**(23)(a) Training Provider:** Baker Midwest, Maple Grove, Minnesota.

Address: 10650 State Highway 152, Suite 112, Maple Grove, MN 55369, Contact: Joseph Reeves, Phone: (612) 493-2595.

**(b) Approved Courses:**

Abatement Worker (contingent from 6/15/89).

Contractor/Supervisor (contingent from 6/15/89).

**(24)(a) Training Provider:** Ball State University.

Address: College of Sciences & Humanities, Department of Natural Resources, Muncie, IN 47306, Contact: Thad Godish, Phone: (317) 285-5780.

**(b) Approved Course:**

Inspector/Management Planner (contingent from 3/30/89).

**(25)(a) Training Provider:** Bems Engineering, Inc.

Address: 18600 Northville Rd., Suite 200, Northville, MI 48167, Contact: Eugene L. Kunz, Phone: (313) 348-9167.

**(b) Approved Courses:**

Contractor/Supervisor (contingent from 12/29/88).

Contractor/Supervisor Refresher Course (contingent from 12/29/88).

Inspector (contingent from 1/18/89).

Inspector/Management Planner Refresher Course (contingent from 1/4/89).

Project Designer (contingent from 3/2/89).

**(26)(a) Training Provider:** Bierlein Demolition Contractors, Inc.

Address: 2903 South Graham Rd., Saginaw, MI 48608-8078, Contact: Harry T. Dryer, Jr., Phone: (517) 781-1810.

**(b) Approved Courses:**

Abatement Worker (contingent from 2/7/89).

Contractor/Supervisor (contingent from 2/7/89).

**(27)(a) Training Provider:** Boelter Associates, Inc.

Address: 8700 West Bryn Mawr Ave., South Tower, Suite 401, Chicago, IL 60631, Contact: Philip Ramos, Phone: (312) 380-1070.

**(b) Approved Course:**

Contractor/Supervisor Refresher Course (contingent from 5/22/89).  
 (28)(a) *Training Provider:* Bonne Terre Training Services.  
 Address: P.O. Box 673, Tiffin, OH 44883, Contact: Timothy E. Blott, Phone: (419) 447-5091.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 10/13/89).  
 Abatement Worker Refresher Course (contingent from 10/12/89).  
 (29)(a) *Training Provider:* Bowling Green State University Environmental Health Program.  
 Address: 102 Health Center, Bowling Green, OH 43403-0280, Contact: Gary S. Silverman, Phone: (419) 372-7774.  
 (b) *Approved Course:*  
 Abatement Worker (contingent from 4/21/89).  
 (30)(a) *Training Provider:* Carnow, Conibear & Associates, Ltd.  
 Address: 333 West Wacker Dr., Suite 1400, Chicago, IL 60606, Contact: Victoria Musselman, Phone: (312) 782-4486.  
 (b) *Approved Course:*  
 Abatement Worker (full from 2/29/88).  
 (31)(a) *Training Provider:* Centin Corp.  
 Address: 6601 North Interchange Rd., Evansville, IN 47715, Contact: Dan Sanders, Phone: (812) 474-6220.  
 (b) *Approved Course:*  
 Abatement Worker (contingent from 3/30/89).  
 (32)(a) *Training Provider:* Charles J. Ogg and Associates.  
 Address: P.O. Box 815, Newburgh, IN 47629-0815, Contact: Charles J. Ogg, Phone: (812) 853-7607.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 12/29/88).  
 Contractor/Supervisor (contingent from 5/1/89).  
 (33)(a) *Training Provider:* Clayton Environmental Consultants, Inc.  
 Address: 22345 Roethel Dr., Novi, MI 48050, Contact: Michael Coffman, Phone: (313) 344-1770.  
 (b) *Approved Courses:*  
 Inspector/Management Planner (contingent from 1/26/88).  
 Inspector/Management Planner (full from 2/16/88).  
 Inspector/Management Planner Refresher Course (contingent from 1/26/89).  
 (34)(a) *Training Provider:* Cleveland Environmental Services, Inc.  
 Address: P.O. Box 14643, Cincinnati, OH 45214, Contact: Eugene B. Rose, Phone: (513) 921-4143.

(b) *Approved Courses:*  
 Abatement Worker (contingent from 1/18/89).  
 Contractor/Supervisor (contingent from 4/21/89).  
 (35)(a) *Training Provider:* Cleveland Wrecking Co.  
 Address: 1400 Harrison Ave., P.O. Box 145530, Cincinnati, OH 45214, Contact: Eugene B. Rose, Phone: (513) 921-1160.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 8/3/89).  
 Abatement Worker Refresher Course (contingent from 8/3/89).  
 Contractor/Supervisor (contingent from 8/3/89).  
 Contractor/Supervisor Refresher Course (contingent from 8/3/89).  
 (36)(a) *Training Provider:* Columbus Paraprofessional Institute Battelle Columbus Division.  
 Address: 505 King Ave., Columbus, OH 43201-2693, Contact: John Simpkins, Phone: (614) 424-6424.  
 (b) *Approved Courses:*  
 Inspector/Management Planner (contingent from 4/4/88).  
 Inspector/Management Planner (full from 4/11/88).  
 Inspector/Management Planner Refresher Course (contingent from 11/30/88).  
 (37)(a) *Training Provider:* Construction & General Laborers Training Trust Fund.  
 Address: 4N250 Old Gary Ave., Cloverdale, IL 60103, Contact: Anthony Solano, Phone: (708) 653-0006.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 9/16/88).  
 Abatement Worker (full from 1/23/89).  
 Abatement Worker Refresher Course (contingent from 12/1/88).  
 Abatement Worker Refresher Course (full from 12/12/89).  
 Contractor/Supervisor (contingent from 9/22/89).  
 Contractor/Supervisor (full from 3/23/90).  
 (38)(a) *Training Provider:* Construction Laborer Local Union No. 496.  
 Address: 5945 North Ridge Rd., P.O. Box 190, Madison, OH 44057, Contact: Floyd Conrad, Phone: (216) 428-7177.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 10/25/89).  
 Abatement Worker Refresher Course (contingent from 12/1/89).  
 Contractor/Supervisor (contingent from 10/25/89).

Contractor/Supervisor Refresher Course (contingent from 12/1/89).  
 Inspector (contingent from 10/25/89).  
 Inspector Refresher Course (contingent from 12/1/89).  
 (39)(a) *Training Provider:* D/E 3.  
 Address: 19701 South Miles Pkwy., N-12, Warrensville, OH 44128, Contact: Harold Danto, Phone: (216) 663-1500.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 10/7/88).  
 Abatement Worker Refresher Course (contingent from 1/4/89).  
 Contractor/Supervisor (contingent from 9/1/89).  
 Contractor/Supervisor Refresher Course (contingent from 10/10/89).  
 (40)(a) *Training Provider:* Daniel J. Hartwig Associates, Inc.  
 Address: P.O. Box 31, Oregon, WI 53575-0031, Contact: Alice J. Seeliger, Phone: (608) 835-5781.  
 (b) *Approved Courses:*  
 Abatement Worker (full from 10/18/88).  
 Abatement Worker Refresher Course (contingent from 4/25/89).  
 Contractor/Supervisor (contingent from 4/11/89).  
 Contractor/Supervisor Refresher Course (contingent from 4/25/89).  
 Inspector/Management Planner (contingent from 2/9/88).  
 Inspector/Management Planner (full from 4/18/88).  
 Inspector/Management Planner Refresher Course (contingent from 2/23/89).  
 (41)(a) *Training Provider:* Darla Environmental, Inc.  
 Address: 1220 Richards St., Suite H, Joliet, IL 60433-2758, Contact: Salvador Garcia, Phone: (815) 722-5561.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 10/7/88).  
 Contractor/Supervisor (contingent from 10/7/88).  
 (42)(a) *Training Provider:* DeLisle Associates, Ltd.  
 Address: 6946 East North Ave., Kalamazoo, MI 49001, Contact: Mark A. DeLisle, Phone: (616) 385-1018.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 9/1/88).  
 Abatement Worker (full from 1/23/89).  
 Contractor/Supervisor (contingent from 10/5/87).  
 Contractor/Supervisor (full from 10/20/87).  
 Contractor/Supervisor Refresher Course (contingent from 9/1/88).  
 Inspector/Management Planner (contingent from 12/22/87).

Inspector/Management Planner (full from 1/27/88).

Inspector/Management Planner Refresher Course (contingent from 2/23/89).

(43)(a) *Training Provider:* Dore & Associates Contracting, Inc.  
Address: 900 Harry S. Truman Pkwy., P.O. Box 146, Bay City, MI 48707,  
Contact: Joseph Goldring, Phone: (517) 684-8358.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/6/88).

Abatement Worker (full from 7/25/88).  
Abatement Worker Refresher Course (contingent from 10/31/88).

Contractor/Supervisor (contingent from 10/31/88).

Contractor/Supervisor Refresher Course (contingent from 3/29/89).

(44)(a) *Training Provider:* Ecological Services, Inc.  
Address: 107 Clay St., Tiffin, OH 44880-0715, Contact: Harish N. Pandhi,  
Phone: (419) 447-2514.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/1/88 to 11/30/90 only).

Abatement Worker Refresher Course (contingent from 3/7/89 to 11/30/90 only).

(45)(a) *Training Provider:* Emscoa-Emergency Medical Service Consultants of America.

Address: 12125 South 90th Ave., Palos Park, IL 60464, Contact: Fred Debow,  
Phone: (708) 448-7500.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/3/89).

Abatement Worker Refresher Course (contingent from 12/20/89).

Contractor/Supervisor (contingent from 11/3/89).

Contractor/Supervisor Refresher Course (contingent from 12/20/89).

(46)(a) *Training Provider:* Environment Technology of Fort Wayne, Inc.

Address: 9208 Hessen Cassel Rd., Fort Wayne, IN 46816, Contact: Randy C. Aumsbaugh, Phone: (219) 447-3141.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/5/89).

Abatement Worker (full from 3/21/90).

Abatement Worker Refresher Course (contingent from 4/7/89).

(47)(a) *Training Provider:* Environmental & Occupational Consulting & Training, Inc.

Address: 3410 East Cork St., Kalamazoo, MI 49001, Contact: A. Clark Kahn,  
Phone: (616) 388-8099.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/1/89).

Abatement Worker Refresher Course (contingent from 3/7/89).

Contractor/Supervisor (contingent from 3/1/89).

Contractor/Supervisor Refresher Course (contingent from 3/7/89).

(48)(a) *Training Provider:* Environmental Abatement Systems, Inc.  
Address: 6416 Ellsworth, Detroit, MI 48238, Contact: Farrell Davis, Phone: (313) 345-3154.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/12/88).

Contractor/Supervisor (contingent from 8/12/88).

(49)(a) *Training Provider:* Environmental Diversified Services, Inc.  
Address: 24356 Sherwood, Center Line, MI 48015-1061, Contact: Michael D. Berg, Phone: (313) 757-4800.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/30/89).

Abatement Worker Refresher Course (contingent from 4/14/89).

Contractor/Supervisor (contingent from 3/30/89).

Contractor/Supervisor Refresher Course (contingent from 4/11/89).

(50)(a) *Training Provider:* Environmental Management Consultants, Inc.

Address: 5201 Middle Mt. Vernon Rd., Evansville, IN 47712, Contact: Barbara S. Kramer, Phone: (812) 424-7768.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/13/89).

Abatement Worker (full from 12/13/89).

Contractor/Supervisor (contingent from 3/9/89).

Contractor/Supervisor (full from 12/13/89).

(51)(a) *Training Provider:* Environmental Management Institute.

Address: 5610 Crawfordsville Rd. 15, Indianapolis, IN 46224, Contact: Jack Leonard, Phone: (800) 488-8842.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/13/88).

Abatement Worker (full from 1/10/89).

Abatement Worker Refresher Course (contingent from 12/27/88).

Contractor/Supervisor (contingent from 9/15/88).

Contractor/Supervisor (full from 1/10/89).

Contractor/Supervisor Refresher Course (contingent from 12/27/88).

Inspector/Management Planner (contingent from 5/9/88).

Inspector/Management Planner (full from 6/6/88).

Inspector/Management Planner Refresher Course (contingent from 12/6/88).

(52)(a) *Training Provider:* Environmental Professionals, Inc.

Address: 1405 Newton St., Tallmadge, OH 44278, Contact: Edward C. Bruner, Phone: (216) 633-4435.

(b) *Approved Courses:*

Contractor/Supervisor (contingent from 2/2/88).

Contractor/Supervisor Refresher Course (contingent from 1/26/89).

(53)(a) *Training Provider:* Environmental Rehab, Inc.

Address: 700 Coronis Cir., Green Bay, WI 54304, Contact: Randy LaCrosse, Phone: (414) 337-0650.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/4/89).

Abatement Worker (full from 3/29/89).

Abatement Worker Refresher Course (contingent from 10/13/89).

(54)(a) *Training Provider:* Environmental Response Systems, Inc.

Address: 5319 Broadway Ave., Cleveland, OH 44127, Contact: Paul J. Stroud, Jr., Phone: (216) 883-1152.

(b) *Approved Course:*

Contractor/Supervisor (contingent from 12/29/88).

(55)(a) *Training Provider:* Environmental Safety Training Services, Inc.

Address: 11802 Hanson Rd., Algonquin, IL 60102, Contact: Robert Sayre, Phone: (217) 525-6161.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/1/88).

Abatement Worker Refresher Course (contingent from 1/17/89).

(56)(a) *Training Provider:* Environmental Science & Engineering, Inc.

Address: 8901 North Industrial Rd., Peoria, IL 61615, Contact: Phillip G. Zerwer, Phone: (309) 692-4422.

(b) *Approved Courses:*

Contractor/Supervisor (contingent from 5/30/89).

Contractor/Supervisor Refresher Course (contingent from 6/9/89).

(57)(a) *Training Provider:*

Environmental Technologies Co. (Formerly Lee Environmental Services, Inc.).

Address: 2727 Second Ave., Detroit, MI 48201, Contact: David W. McDowell, Phone: (313) 961-4230.

(b) *Approved Course:*  
Abatement Worker (contingent from 3/17/89).

(58)(a) *Training Provider:* Environmental Training Institute.  
Address: 4708 Angold Rd., Toledo, OH 43615, Contact: Dale Bruhl, Jr., Phone: (419) 382-9200.

(b) *Approved Courses:*  
Abatement Worker (contingent from 1/10/89).  
Abatement Worker Refresher Course (contingent from 10/5/89).

(59)(a) *Training Provider:* Envirplus, Inc.  
Address: 600 Hartrey Ave., Suite 203 A, Evanston, IL 60202, Contact: Salvador Garcia, Phone: (312) 475-0022.

(b) *Approved Course:*  
Contractor/Supervisor (contingent from 8/31/89).

(60)(a) *Training Provider:* Escor, Inc.  
Address: 540 Frontage Rd., Suite 211, Northfield, IL 60093, Contact: R. Eric Zimmerman, Phone: (312) 501-2190.

(b) *Approved Courses:*  
Abatement Worker (contingent from 8/12/88).  
Abatement Worker Refresher Course (contingent from 9/15/88).  
Contractor/Supervisor (contingent from 8/12/88).  
Contractor/Supervisor Refresher Course (contingent from 9/15/88).  
Inspector/Management Planner (contingent from 8/12/88).  
Inspector/Management Planner Refresher Course (contingent from 9/1/88).

(61)(a) *Training Provider:* Foley Occupational Health Consulting.  
Address: 2400 North Reynolds Rd., Toledo, OH 43615, Contact: E.D. Foley, Jr., Phone: (419) 531-7191.

(b) *Approved Courses:*  
Contractor/Supervisor (contingent from 2/4/88).  
Contractor/Supervisor Refresher Course (contingent from 1/4/89).

(62)(a) *Training Provider:* G & H Contracting Associates, Ltd.  
Address: 300 Acorn St., P.O. Box 49080, Plainwell, MI 49080, Contact: Jeffrey C. Gren, Phone: (616) 685-1606.

(b) *Approved Courses:*  
Abatement Worker (contingent from 10/7/88).  
Abatement Worker (full from 11/7/88).  
Contractor/Supervisor (contingent from 4/21/89).

(63)(a) *Training Provider:* Gandee & Associates, Inc.  
Address: 4488 Mobile Dr., Columbus, OH 43220, Contact: Kurt Varga, Phone: (614) 459-8338.

(b) *Approved Courses:*  
Abatement Worker (full from 1/17/89).  
Abatement Worker Refresher Course (contingent from 8/17/89).  
Contractor/Supervisor (contingent from 6/1/88).  
Contractor/Supervisor (full from 8/29/88).  
Contractor/Supervisor Refresher Course (contingent from 7/26/89).  
Inspector/Management Planner (contingent from 3/3/89).  
Inspector/Management Planner Refresher Course (contingent from 8/2/89).

(64)(a) *Training Provider:* Hazard Management Group, Inc.  
Address: P.O. Box 627, Ashtabula, OH 44004, Contact: Gabriel Demshar, Jr., Phone: (216) 992-1122.

(b) *Approved Courses:*  
Abatement Worker (contingent from 1/4/89).  
Contractor/Supervisor (contingent from 1/4/89).

(65)(a) *Training Provider:* Hazardous Materials Institute, Inc.  
Address: 1550 Old Henderson Rd., Suite N-232, Columbus, OH 43222, Contact: Al Wilson, Phone: (614) 459-1105.

(b) *Approved Courses:*  
Abatement Worker (contingent from 8/12/88).  
Abatement Worker Refresher Course (contingent from 9/15/88).  
Contractor/Supervisor (contingent from 8/12/88).  
Contractor/Supervisor Refresher Course (contingent from 9/15/88).  
Inspector/Management Planner (contingent from 8/3/88).  
Inspector/Management Planner Refresher Course (contingent from 9/15/88).  
Project Designer (contingent from 10/14/88).

(66)(a) *Training Provider:* Heat & Frost Insulators & Asbestos Workers Local Union No. 17 Apprentice Training Center.  
Address: 3850 South Racine Ave., Chicago, IL 60609, Contact: John P. Shine, Phone: (312) 247-1007.

(b) *Approved Courses:*  
Abatement Worker (contingent from 10/2/87).  
Abatement Worker (full from 11/8/87).  
Abatement Worker Refresher Course (contingent from 10/14/88).  
Abatement Worker Refresher Course (full from 1/9/90).  
Contractor/Supervisor (contingent from 3/21/88).  
Contractor/Supervisor (full from 3/22/88).  
Contractor/Supervisor Refresher Course (contingent from 12/1/88).

(67)(a) *Training Provider:* Heat & Frost Insulators & Asbestos Workers Local Union No. 34.  
Address: 708 South 10th St., Minneapolis, MN 55404, Contact: Lee Houske, Phone: (612) 332-3216.

(b) *Approved Courses:*  
Abatement Worker (full from 11/8/88).  
Contractor/Supervisor (full from 11/8/88).

(68)(a) *Training Provider:* Helix Environmental, Inc.  
Address: 416 Triangle, Dayton, OH 45419, Contact: Ralph Froehlich, Phone: (513) 298-2990.

(b) *Approved Courses:*  
Abatement Worker (contingent from 11/1/89).  
Contractor/Supervisor (contingent from 11/1/89).  
Contractor/Supervisor Refresher Course (contingent from 12/19/89).  
Inspector/Management Planner (contingent from 11/1/89).  
Inspector/Management Planner Refresher Course (contingent from 12/20/89).

(69)(a) *Training Provider:* I.P.C. of Chicago.  
Address: 4309 West Henderson, Chicago, IL 60641, Contact: Robert G. Cooley, Phone: (312) 718-7395.

(b) *Approved Courses:*  
Abatement Worker (contingent from 10/5/87).  
Abatement Worker (full from 8/8/88).  
Contractor/Supervisor (contingent from 2/7/89).  
Contractor/Supervisor Refresher Course (contingent from 2/7/89).  
Inspector/Management Planner Refresher Course (contingent from 2/7/89).

(70)(a) *Training Provider:* Illinois Environmental Institute.  
Address: 8425 West 95th St., Hickory Hills, IL 60457, Contact: William T. Giova, Phone: (312) 839-9000.

(b) *Approved Courses:*  
Abatement Worker (contingent from 3/3/89).  
Abatement Worker (full from 2/9/90).

(71)(a) *Training Provider:* Illinois Laborers' & Contractors Training Program.  
Address: R.R. 3, Mount Sterling, IL 62353, Contact: Tony Romolo, Phone: (217) 773-2741.

(b) *Approved Courses:*  
Abatement Worker (full from 12/15/85).  
Abatement Worker Refresher Course (contingent from 9/1/88).  
Abatement Worker Refresher Course (full from 12/13/89).

Contractor/Supervisor (contingent from 2/9/88).

Contractor/Supervisor (full from 3/14/88).

Contractor/Supervisor Refresher Course (contingent from 2/27/89).

(72)(a) *Training Provider:* Ilse Engineering, Inc.

Address: 7177 Arrowhead Rd., Duluth, MN 55811, Contact: John F. Ilse, Phone: (218) 729-6858.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/15/88).

Contractor/Supervisor Refresher Course (contingent from 4/11/89).

(73)(a) *Training Provider:* Indiana Laborers Training Trust Fund.

Address: P.O. Box 758, Bedford, IN 47421, Contact: Richard Fassino, Phone: (812) 279-9751.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/11/87).

Abatement Worker (full from 2/22/88).

Abatement Worker Refresher Course (contingent from 10/7/88).

Abatement Worker Refresher Course (full from 1/17/90).

Contractor/Supervisor (contingent from 6/2/88).

Contractor/Supervisor (full from 8/15/88).

Contractor/Supervisor Refresher Course (contingent from 6/14/89).

(74)(a) *Training Provider:* Industrial Environmental Consultants.

Address: 2875 Northwind, Suite 113, East Lansing, MI 48823, Contact: James C. Fox, Phone: (517) 332-7026.

(b) *Approved Courses:*

Abatement Worker (contingent from 5/9/88).

Abatement Worker (full from 1/23/89).

Abatement Worker Refresher Course (contingent from 1/18/89).

Contractor/Supervisor (contingent from 8/3/88).

Contractor/Supervisor (full from 1/23/89).

Contractor/Supervisor Refresher Course (contingent from 12/5/88).

Inspector/Management Planner (contingent from 3/1/88).

(75)(a) *Training Provider:* Institute for Environmental Assessment.

Address: 2829 Verndale Ave., Anoka, MN 55303, Contact: Bill Sloan, Phone: (612) 427-5310.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/12/88).

Contractor/Supervisor (contingent from 8/12/88).

Inspector/Management Planner Refresher Course (contingent from 2/21/89).

(76)(a) *Training Provider:*

International Association of Heat & Frost Insulators & Asbestos Workers Local Union No. 19.

Address: 9401 West Beloit Rd., No. 209, Milwaukee, WI 53227, Contact: Randall Gottsacker, Phone: (414) 321-2828.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/29/88).

Abatement Worker (full from 5/15/89).

Abatement Worker Refresher Course (contingent from 1/26/89).

Contractor/Supervisor (contingent from 12/29/88).

Contractor/Supervisor Refresher Course (contingent from 1/26/89).

(77)(a) *Training Provider:*

International Association of Heat & Frost Insulators & Asbestos Workers Local Union No. 34.

Address: 708 South 10th St., Minneapolis, MN 55404, Contact: Lee A. Houske, Phone: (612) 332-3216.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/8/88).

Contractor/Supervisor (contingent from 9/1/88).

(78)(a) *Training Provider:*

International Association of Heat & Frost Insulators & Asbestos Workers, Local Union No. 127.

Address: 2787 Pamela Dr., Green Bay, WI 54302, Contact: Michael A. Simons, Phone: (414) 468-5973.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/18/89).

Abatement Worker Refresher Course (contingent from 1/18/89).

Contractor/Supervisor (contingent from 1/18/89).

(79)(a) *Training Provider:* JWP

Enterprises, Ltd.

Address: 122 Water St., Baraboo, WI 53913, Contact: Stephen P. Jandrowski, Phone: (608) 356-2101.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/6/89).

Abatement Worker Refresher Course (contingent from 6/8/89).

Contractor/Supervisor (contingent from 6/6/89).

Contractor/Supervisor (full from 12/7/89).

Contractor/Supervisor Refresher Course (contingent from 6/8/89).

(80)(a) *Training Provider:* Kemron Environmental Services, Inc.

Address: 32740 Northwestern Hwy., Farmington Hills, MI 48018, Contact: Sara A. Bassett, Phone: (313) 626-2426.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/2/89).

Contractor/Supervisor (contingent from 5/13/88).

Contractor/Supervisor (full from 2/27/89).

Contractor/Supervisor Refresher Course (contingent from 2/7/89).

Inspector/Management Planner (contingent from 3/25/88).

Inspector/Management Planner Refresher Course (contingent from 1/4/89).

(81)(a) *Training Provider:* Keter Environmental Ltd.

Address: 699 Edgewood Ave., Elmhurst, IL 60126, Contact: Philip Pekron, Phone: (312) 941-0201.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/27/89).

Abatement Worker Refresher Course (contingent from 11/28/89).

Contractor/Supervisor Refresher Course (contingent from 12/20/89).

(82)(a) *Training Provider:* Lakeland Contractors, Inc.

Address: 7615-B St. Clair St., Mentor, OH 44060, Contact: Rex Harris, Phone: (216) 942-0006.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/4/89).

Abatement Worker Refresher Course (contingent from 4/11/89).

(83)(a) *Training Provider:* Lepi Enterprises, Inc.

Address: 917 Main St., Dresden, OH 43821, Contact: James R. Lepi, Phone: (614) 754-1162.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/6/88).

Abatement Worker (full from 6/8/90).

Abatement Worker Refresher Course (contingent from 4/25/89).

(84)(a) *Training Provider:* Lyle Training Institute.

Address: 41 South Grant, Columbus, OH 43215, Contact: Andrea D. Hamblin, Phone: (614) 224-8822.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/21/88).

Contractor/Supervisor (contingent from 3/7/89).

Inspector/Management Planner (contingent from 6/30/88).

Inspector/Management Planner Refresher Course (contingent from 3/18/89).

(85)(a) *Training Provider:* M.K. Moore & Sons, Inc.

Address: 5150 Wagoner-Ford Rd., Dayton, OH 45414, Contact: Catherine C. Buchanan, Phone: (513) 236-1812.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/31/89).

Abatement Worker (full from 5/3/90).

Abatement Worker Refresher Course (contingent from 4/7/89).

Contractor/Supervisor (contingent from 3/31/89).

Contractor/Supervisor Refresher Course (contingent from 4/7/89).

(86)(a) *Training Provider:* MacNeil Environmental, Inc.

Address: 755 East Cliff Rd., Burnsville, IL 55332, Contact: Phil Allmon, Phone: (612) 890-3452.

(b) *Approved Courses:*

Contractor/Supervisor Refresher Course (contingent from 7/6/89).

Inspector/Management Planner Refresher Course (contingent from 7/6/89).

(87)(a) *Training Provider:* Manage Right Asbestos Consultants.

Address: 314 West Genesee Ave., Saginaw, MI 48602, Contact: Mary Margaret Brown, Phone: (517) 753-9290.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/24/89).

Abatement Worker Refresher Course (contingent from 4/27/89).

Contractor/Supervisor (contingent from 4/7/89).

(88)(a) *Training Provider:* Mark A. Kriesemint, Ltd.

Address: P.O. Box 06198, Chicago, IL 60606-0198, Contact: Mark Kriesemint, Phone: (312) 463-0206.

(b) *Approved Course:*

Abatement Worker (contingent from 10/31/88).

(89)(a) *Training Provider:* McDowell Business Training Center.

Address: 1313 S. Michigan Ave., 3rd Floor, Chicago, IL 60605, Contact: Edward McDowell, Phone: (312) 427-2598.

(b) *Approved Course:*

Abatement Worker (contingent from 10/6/89).

(90)(a) *Training Provider:* Metropolitan Detroit AFL-CIO Training Center.

Address: 14333 Prairie, Detroit, MI 48238, Contact: Richard M. King, Phone: (313) 863-1000.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/12/88).

Contractor/Supervisor (contingent from 8/12/88).

(91)(a) *Training Provider:* Michigan Laborers Training Institute.

Address: 11155 South Beardslee Rd., Perry, MI 48872, Contact: Edwin H. McDonald, Phone: (517) 625-4919.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/9/88).

Abatement Worker (full from 5/2/88).

Abatement Worker Refresher Course (contingent from 11/14/88).

Contractor/Supervisor (contingent from 4/6/88).

Contractor/Supervisor (full from 5/6/88).

Contractor/Supervisor Refresher Course (contingent from 11/14/88).

(92)(a) *Training Provider:* Mid-Central Illinois District Council of Carpenters.

Address: 910 Brenkman Dr., Pekin, IL 61554, Contact: Jeff Burnett, Phone: (309) 353-4232.

(b) *Approved Courses:*

Abatement Worker Refresher Course (contingent from 9/1/89).

Contractor/Supervisor Refresher Course (contingent from 9/1/89).

(93)(a) *Training Provider:* Midwest Center for Occupational Health & Safety.

Address: 640 Jackson St., St. Paul, MN 55101, Contact: Ruth K. McIntyre, Phone: (612) 221-3992.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/16/88).

Contractor/Supervisor (full from 11/28/88).

Contractor/Supervisor Refresher Course (contingent from 12/1/88).

Inspector/Management Planner (contingent from 5/9/88).

Inspector/Management Planner (full from 5/23/88).

Inspector/Management Planner Refresher Course (contingent from 12/1/88).

(94)(a) *Training Provider:* Midwest Environmental & Industrial Health Center.

Address: 1440 West Washington, Chicago, IL 60607, Contact: Dick Lyons, Phone: (312) 829-1277.

(b) *Approved Courses:*

Abatement Worker (interim from 10/1/87 to 12/14/87).

Abatement Worker (contingent from 10/2/87).

Abatement Worker (full from 4/5/88).

Abatement Worker Refresher Course (contingent from 11/14/88).

Contractor/Supervisor (full from 6/1/86).

Contractor/Supervisor Refresher Course (contingent from 1/18/89).

Inspector/Management Planner (contingent from 10/2/87).

Inspector/Management Planner (full from 10/21/87).

Inspector/Management Planner Refresher Course (full from 2/17/89).

Project Designer (contingent from 7/7/89).

(95)(a) *Training Provider:* Midwest Health Training.

Address: 3920 Central, Western Springs, IL 60558, Contact: H.C. Brown, Phone: (312) 246-9527.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/25/88).

Abatement Worker (full from 4/25/88).

Abatement Worker Refresher Course (contingent from 9/15/88).

Contractor/Supervisor (contingent from 2/23/89).

(96)(a) *Training Provider:* Milwaukee Asbestos Information Center.

Address: 2224 South Kinnickinnic Ave., Milwaukee, WI 53207, Contact: Thomas R. Ortell, Phone: (414) 744-8100.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/1/88).

Abatement Worker Refresher Course (contingent from 2/23/89).

Contractor/Supervisor (contingent from 12/1/88).

Contractor/Supervisor Refresher Course (contingent from 2/23/89).

Inspector/Management Planner (contingent from 3/2/89).

Inspector/Management Planner Refresher Course (contingent from 2/23/89).

Project Designer (contingent from 9/22/89).

Project Designer Refresher Course (contingent from 10/16/89).

(97)(a) *Training Provider:* Moraine Valley Community College.

Address: 10900 South 88th Ave., Palos Hills, IL 60465, Contact: Dale Luecht, Phone: (708) 974-5735.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/7/89).

Abatement Worker (full from 1/11/90).

Abatement Worker Refresher Course (contingent from 3/16/89).

Abatement Worker Refresher Course (full from 1/25/90).

Contractor/Supervisor (contingent from 8/12/88).

Contractor/Supervisor (full from 5/7/90).

Contractor/Supervisor Refresher Course (contingent from 12/6/88).

Contractor/Supervisor Refresher Course (full from 5/1/90).



Inspector/Management Planner (full from 2/9/88).  
 Inspector/Management Planner Refresher Course (contingent from 12/6/88).  
 Inspector/Management Planner Refresher Course (full from 4/30/90).  
 (98)(a) *Training Provider:* National Asbestos Abatement Corp.  
 Address: 1198 Robert T. Longway Blvd., Flint, MI 48503, Contact: James S. Sheaffer, Phone: (313) 232-7100.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 2/7/89).  
 Abatement Worker (full from 4/18/89).  
 (99)(a) *Training Provider:* National Institute for Abatement Education.  
 Address: 5501 Williamsburg Way No. 305, Madison, WI 53719, Contact: Dean Leischow, Phone: (608) 271-7281.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 7/15/88 to 11/30/90 only).  
 Contractor/Supervisor (contingent from 7/15/88 to 11/30/90 only).  
 (100)(a) *Training Provider:* Northern Safety Consultants, Inc.  
 Address: 1406 Lincoln Ave., Marquette, MI 49855, Contact: Christopher M. Baker, Phone: (906) 228-5161.  
 (b) *Approved Courses:*  
 Abatement Worker (full from 5/31/88).  
 Contractor/Supervisor (full from 5/31/88).  
 Contractor/Supervisor Refresher Course (contingent from 10/7/88).  
 (101)(a) *Training Provider:* Northland Environmental Services, Inc.  
 Address: P.O. Box 909, Stevens Point, WI 54481, Contact: Bob Voborsky, Phone: (715) 341-9699.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 1/18/89).  
 Abatement Worker Refresher Course (contingent from 1/18/89).  
 Contractor/Supervisor (contingent from 1/18/89).  
 Contractor/Supervisor Refresher Course (contingent from 1/18/89).  
 (102)(a) *Training Provider:* Nova Environmental Services.  
 Address: Suite 420 Hazeltine Gates, 1107 Hazeltine Blvd., Chaska, MN 55318, Contact: Deborah S. Green, Phone: (612) 448-9393.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 12/24/87).  
 Abatement Worker Refresher Course (contingent from 4/13/89).  
 Contractor/Supervisor (contingent from 9/1/88).  
 Contractor/Supervisor Refresher Course (contingent from 4/13/89).

(103)(a) *Training Provider:* Nova Environmental, Inc.  
 Address: 5340 Plymouth Rd., Suite 210, Ann Arbor, MI 48105, Contact: Kary S. Amin, Phone: (313) 930-0995.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 5/13/88).  
 Abatement Worker (full from 3/27/89).  
 Contractor/Supervisor (contingent from 10/7/88).  
 Contractor/Supervisor (full from 3/27/89).  
 Contractor/Supervisor Refresher Course (contingent from 10/7/88).  
 Inspector/Management Planner (contingent from 10/7/88).  
 Inspector/Management Planner Refresher Course (contingent from 11/14/88).  
 (104)(a) *Training Provider:* Occupational Safety Training, Inc.  
 Address: 237 Dino Dr., Suite A, Ann Arbor, MI 48103, Contact: Randy Gamble, Phone: (313) 426-3300.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 3/17/89).  
 Abatement Worker Refresher Course (contingent from 3/17/89).  
 Contractor/Supervisor (contingent from 1/26/89).  
 Contractor/Supervisor (full from 3/13/89).  
 Contractor/Supervisor Refresher Course (contingent from 1/17/89).  
 (105)(a) *Training Provider:* Ohio Asbestos Workers Council.  
 Address: 1216 East McMillan St., Room 107, Cincinnati, OH 45206, Contact: Larry Briley, Phone: (513) 221-5969.  
 (b) *Approved Courses:*  
 Contractor/Supervisor (contingent from 2/17/88).  
 Contractor/Supervisor (full from 5/12/88).  
 (106)(a) *Training Provider:* Ohio Laborers' Training & Upgrading Trust Fund.  
 Address: 25721 Coshocton Rd., P.O. Box 218, Howard, OH 43028, Contact: John L. Railing, Phone: (614) 599-7915.  
 (b) *Approved Courses:*  
 Abatement Worker (full from 4/11/88).  
 Abatement Worker Refresher Course (contingent from 9/1/88).  
 Abatement Worker Refresher Course (full from 2/8/90).  
 Contractor/Supervisor (contingent from 7/27/88).  
 Contractor/Supervisor (full from 2/8/90).  
 Contractor/Supervisor Refresher Course (contingent from 6/8/89).  
 Contractor/Supervisor Refresher Course (full from 2/9/90).

(107)(a) *Training Provider:* Olive - Harvey College Skill Center.  
 Address: 10001 South Woodlawn Ave., Chicago, IL 60628, Contact: Verondo Tucker, Phone: (312) 660-4841.  
 (b) *Approved Course:*  
 Abatement Worker (contingent from 3/6/89).  
 (108)(a) *Training Provider:* Peoria Public Schools.  
 Address: 3202 North Wisconsin Ave., Peoria, IL 61603, Contact: Emil S. Steinseifer, Phone: (309) 672-6512.  
 (b) *Approved Course:*  
 Abatement Worker Refresher Course (contingent from 11/14/88).  
 (109)(a) *Training Provider:* Professional Asbestos Control Company Inc.  
 Address: 5739 West Howard St., Niles, IL 60648, Contact: William Foss, Phone: (312) 647-0077.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 11/2/89).  
 Contractor/Supervisor (contingent from 11/2/89).  
 (110)(a) *Training Provider:* Professional Asbestos Labor Services, Inc.  
 Address: 2955 W 5th Ave., Gary, IN 46404-1201, Contact: George Bradley, Phone: (219) 883-8541.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 5/18/88).  
 Abatement Worker Refresher Course (contingent from 12/5/88).  
 (111)(a) *Training Provider:* Professional Service Industries, Inc.  
 Address: 510 East 22nd St., Lombard, IL 60148, Contact: W. K. Swartzendruber, Phone: (312) 691-1490.  
 (b) *Approved Courses:*  
 Contractor/Supervisor (contingent from 11/13/89).  
 Contractor/Supervisor Refresher Course (contingent from 10/11/89).  
 Inspector/Management Planner (contingent from 12/15/88).  
 Inspector/Management Planner (full from 4/27/89).  
 Inspector/Management Planner Refresher Course (contingent from 10/11/89).  
 (112)(a) *Training Provider:* Rend Lake College.  
 Address: Department AAA, Ina, IL 62846, Contact: Fred Bruno, Phone: (618) 437-5321.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 3/29/89).

Abatement Worker (full from 10/10/89).  
(113)(a) *Training Provider:* Risk Services, Inc.

Address: 26384 Ford Rd., Suite 200, Dearborn Heights, MI 48127, Contact: Michael J. Borsuck, Phone: (313) 565-5225.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/11/89).

Abatement Worker Refresher Course (contingent from 4/11/89).

Contractor/Supervisor (contingent from 4/11/89).

Contractor/Supervisor Refresher Course (contingent from 4/11/89).

(114)(a) *Training Provider:* S.Z. Mansdorf & Associates, Inc.

Address: 2000 Chestnut Blvd., Cuyahoga Falls, OH 44223-1323, Contact: S. Z. Mansdorf, Phone: (216) 928-5434.

(b) *Approved Courses:*

Contractor/Supervisor (contingent from 1/15/88).

Contractor/Supervisor (full from 2/12/88).

Contractor/Supervisor Refresher Course (contingent from 1/19/89).

Inspector/Management Planner (contingent from 6/24/88).

Inspector/Management Planner (full from 3/23/90).

Inspector/Management Planner Refresher Course (contingent from 1/26/89).

(115)(a) *Training Provider:* SEMCOSH.

Address: 2727 2nd Ave., Detroit, MI 48201-2654, Contact: Barbara Boylan, Phone: (313) 961-3345.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/13/87).

Abatement Worker (full from 4/25/88).

Abatement Worker Refresher Course (contingent from 4/25/89).

(116)(a) *Training Provider:* Safer Foundation.

Address: 571 West Jackson Blvd., Chicago, IL 60606, Contact: C. Bentley or P. Bergmann, Phone: (312) 922-2200.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/15/88).

Abatement Worker (full from 7/7/89).

Abatement Worker Refresher Course (contingent from 11/3/89).

(117)(a) *Training Provider:* Safety Dynamics.

Address: 124 Massachussetts Ave., Poland, OH 44514, Contact: Ronald G. Zikmund, Phone: (216) 757-3899.

(b) *Approved Course:*

Abatement Worker (contingent from 8/18/89).

(118)(a) *Training Provider:* Safety Training of Illinois.

Address: 1515 South Park, Springfield, IL 62704, Contact: S. David Farris, Phone: (217) 787-9091.

(b) *Approved Courses:*

Abatement Worker (full from 12/18/87).

Abatement Worker Refresher Course (contingent from 11/14/88).

(119)(a) *Training Provider:* Sear Corp.

Address: 8802 Bash St., Suite F, Indianapolis, IN 46256, Contact: Todd M. Strader, Phone: (317) 576-5845.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/3/89).

Abatement Worker (full from 7/7/89).

(120)(a) *Training Provider:* Seneca Asbestos Removal & Control, Inc.

Address: 76 Ashwood Rd., Tiffin, OH 44883, Contact: Roger Bakies, Phone: (419) 447-0202.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/21/89).

Abatement Worker (full from 11/15/89).

(121)(a) *Training Provider:* Testing Engineers & Consultants, Inc.

Address: 1333 Rochester Rd., P.O. Box 249, Troy, MI 48099, Contact: Karl D. Agee, Phone: (313) 588-6200.

(b) *Approved Courses:*

Inspector/Management Planner (contingent from 5/9/88).

Inspector/Management Planner (full from 8/22/88).

Inspector/Management Planner Refresher Course (contingent from 3/30/89).

(122)(a) *Training Provider:* The American Center for Educational Development, Inc.

Address: 316 S. Wabash, 2nd Floor, Chicago, IL 60604, Contact: Ron Broom, Phone: (312) 322-2233.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/3/89).

Abatement Worker (full from 12/13/89).

Abatement Worker Refresher Course (contingent from 12/1/89).

Contractor/Supervisor (contingent from 11/3/89).

Contractor/Supervisor (full from 1/19/90).

Contractor/Supervisor Refresher Course (contingent from 12/1/89).

(123)(a) *Training Provider:* The Brand Companies.

Address: 1420 Renaissance Dr., Park Ridge, IL 60068, Contact: Frank J. Baria, Phone: (312) 298-1200.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/4/89).

Abatement Worker (full from 5/1/89).

Abatement Worker Refresher Course (contingent from 6/8/89).

Contractor/Supervisor (contingent from 7/7/89).

Contractor/Supervisor Refresher Course (contingent from 8/16/89).

(124)(a) *Training Provider:* The Clear Consortium.

Address: 127 North Dearborn St., Chicago, IL 60602, Contact: Lorenzo Higgins, Phone: (312) 368-0211.

(b) *Approved Course:*

Abatement Worker (contingent from 7/18/89 to 11/30/90 only).

(125)(a) *Training Provider:* The Environmental Institute.

Address: 314 South State Ave., Indianapolis, IN 46201, Contact: Cindy Witte, Phone: (317) 269-3618.

(b) *Approved Course:*

Abatement Worker Refresher Course (contingent from 12/22/88).

(126)(a) *Training Provider:* Thermico, Inc.

Address: 3405 Centennial Dr., P.O. Box 2151, Midland, MI 48641-2151, Contact: Kevin Otis, Phone: (517) 496-2927.

(b) *Approved Course:*

Abatement Worker (contingent from 4/7/89).

(127)(a) *Training Provider:* Tillotson Consulting & Training, Inc.

Address: 9332 Oakview, Portage, MI 49002, Contact: Michael R. Tillotson, Phone: (616) 323-2124.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/29/88).

Abatement Worker Refresher Course (contingent from 12/11/88).

Contractor/Supervisor (contingent from 12/29/88).

Contractor/Supervisor Refresher Course (contingent from 12/11/88).

Inspector/Management Planner (contingent from 12/29/88).

Inspector/Management Planner Refresher Course (contingent from 12/11/88).

(128)(a) *Training Provider:* Trust Thermal Systems.

Address: 10445 Wright Rd., Eagle, MI 48822, Contact: Thomas Lowe, Phone: (517) 626-6791.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/1/88).

Abatement Worker Refresher Course (contingent from 4/7/89).

Contractor/Supervisor (contingent from 3/30/89).

Contractor/Supervisor Refresher Course (contingent from 4/7/89).

(129)(a) *Training Provider:* United Science Industries, Inc.

Address: 621 Ninth St., P.O. Box 21, Carlyle, IL 62231, Contact: Mr. Koch, Phone: (618) 594-8670.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/4/89).

Abatement Worker (full from 5/17/90).

Abatement Worker Refresher Course (contingent from 12/20/89).

Contractor/Supervisor (contingent from 12/4/89).

Contractor/Supervisor (full from 5/17/90).

Contractor/Supervisor Refresher Course (contingent from 12/20/89).

(130)(a) *Training Provider:* University of Cincinnati, Medical Center Department of Environmental Health Kettering Laboratory.

Address: 3223 Eden Ave., ML 056, Cincinnati, OH 45267-0056, Contact: Judy L. Jarrell, Phone: (513) 558-1730.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/14/88).

Abatement Worker (full from 11/15/88).

Abatement Worker Refresher Course (contingent from 7/11/89).

Contractor/Supervisor (full from 10/20/87).

Contractor/Supervisor Refresher Course (contingent from 10/4/89).

Inspector/Management Planner (full from 11/16/87).

Inspector/Management Planner Refresher Course (contingent from 12/1/88).

Project Designer (contingent from 10/26/89).

(131)(a) *Training Provider:* University of Wisconsin.

Address: 422 Lowell Hall, 610 Langdon St., Madison, WI 53703, Contact: Neil DeClercq, Phone: (608) 262-2111.

(b) *Approved Courses:*

Abatement Worker (full from 12/7/87).

Abatement Worker Refresher Course (contingent from 12/15/88).

Contractor/Supervisor (contingent from 2/2/88).

Contractor/Supervisor (full from 9/1/88).

Contractor/Supervisor Refresher Course (contingent from 12/15/88).

Inspector/Management Planner (contingent from 2/2/88).

Inspector/Management Planner (full from 2/22/88).

Inspector/Management Planner Refresher Course (contingent from 12/15/88).

Project Designer (contingent from 9/15/88).

Project Designer Refresher Course (contingent from 3/3/89).

(132)(a) *Training Provider:* William E. Fink & Associates.

Address: 25 South State St., Girard, OH 44420, Contact: William Fink, Phone: (216) 545-1222.

(b) *Approved Course:*

Contractor/Supervisor (contingent from 8/18/89).

(133)(a) *Training Provider:* William E. Fink & Associates, Inc.

Address: 3695 Indian Run, Suite 5, Canfield, OH 44406, Contact: William E. Fink, Phone: (216) 533-6299.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/11/88).

Abatement Worker (full from 2/13/89).

Abatement Worker Refresher Course (contingent from 8/11/88).

Contractor/Supervisor (contingent from 8/18/89).

Contractor/Supervisor Refresher Course (contingent from 10/13/89).

(134)(a) *Training Provider:* Wisconsin Laborers Training Center.

Address: P.O. Box 150, Almond, WI 54909, Contact: Dean Jensen, Phone: (715) 366-8221.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/8/87).

Abatement Worker (full from 11/29/88).

Abatement Worker Refresher Course (contingent from 11/14/88).

Contractor/Supervisor (contingent from 11/21/88).

Contractor/Supervisor (full from 11/29/88).

(135)(a) *Training Provider:* Wonder Makers, Inc.

Address: 3101 Darmo St., Kalamazoo, MI 49008, Contact: Michael A. Pinto, Phone: (616) 382-4154.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/16/89).

Abatement Worker Refresher Course (contingent from 3/9/89).

Contractor/Supervisor (contingent from 3/16/89).

Contractor/Supervisor Refresher Course (contingent from 3/16/89).

Inspector/Management Planner (contingent from 4/21/89).

Inspector/Management Planner Refresher Course (contingent from 4/21/89).

## REGION VI -- Dallas, TX

*Acting Regional Asbestos Coordinator:* Carol D. Peters, 8T-PT, EPA, Region VI, 1445 Ross Avenue, Dallas, TX 75202-2733. (214) 655-7244, (FTS) 255-7244.

*List of Approved Courses:* The following training courses have been

approved by EPA. The courses are listed under (b). This approval is subject to the level of certification indicated after the course name. Training Providers are listed in alphabetical order and do not reflect a prioritization. Approvals for Region VI training courses and contact points for each, are as follows:

(1)(a) *Training Provider:* AAR, Inc.

Address: 6655 Rookin St., Houston, TX 77074, Contact: Edwin C. Heikkila, Jr., Phone: (713) 777-9205.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/26/89).

Abatement Worker (full from 11/1/90).

(2)(a) *Training Provider:* AC & C Systems Corp.

Address: 5909 Northwest Expressway, Suite 310, Oklahoma City, OK 73132, Contact: Turner Stallings, Phone: (405) 728-0444.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/20/88).

Contractor/Supervisor (contingent from 10/26/88).

(3)(a) *Training Provider:* AEGIS Associates, Inc.

Address: 4868 Research Dr., San Antonio, TX 78240, Contact: John J. Gokelman, Phone: (512) 641-8320.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/14/89 to 4/16/90 only).

Contractor/Supervisor (contingent from 5/25/89 to 4/16/90 only).

Inspector Refresher Course (contingent from 4/4/89 to 6/25/91 only).

(4)(a) *Training Provider:* ASCTC Asbestos Training Center.

Address: P.O. Box 1419, Albany, LA 70711, Contact: Alpha Ross, Phone: (504) 567-3876.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/4/90).

Abatement Worker Refresher Course (contingent from 2/4/90).

Contractor/Supervisor (contingent from 2/4/90).

Contractor/Supervisor Refresher Course (contingent from 2/5/90).

Inspector/Management Planner (contingent from 2/5/90).

Inspector/Management Planner Refresher Course (contingent from 2/5/90).

Project Designer (contingent from 2/5/90).

Project Designer Refresher Course (contingent from 2/5/90).

(5)(a) *Training Provider:* Abateco, Inc.

Address: 10696 Haddington, Suite 100, Houston, TX 77043, Contact: E. H. Zansler, Phone: (713) 461-0692.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/14/89).

Abatement Worker (full from 3/7/90).

Abatement Worker Refresher Course (contingent from 3/17/89).

Abatement Worker Refresher Course (full from 8/21/90).

Contractor/Supervisor (contingent from 8/14/89).

Contractor/Supervisor (full from 3/9/90).

Contractor/Supervisor Refresher Course (full from 8/22/90).

(6)(a) *Training Provider:* Ahera Training Institute.

Address: 12116A Jekel Circle, Austin, TX 78727, Contact: Rick Orr, Phone: (512) 837-8851.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/10/89).

Abatement Worker (full from 5/9/90).

Abatement Worker Refresher Course (contingent from 12/15/89).

Abatement Worker Refresher Course (full from 1/30/90).

Contractor/Supervisor (contingent from 1/11/88).

Contractor/Supervisor (full from 3/1/88).

Contractor/Supervisor Refresher Course (contingent from 12/15/89).

Contractor/Supervisor Refresher Course (full from 1/31/90).

Inspector/Management Planner (full from 1/25/88).

Inspector/Management Planner Refresher Course (contingent from 10/2/89).

Inspector/Management Planner Refresher Course (full from 2/1/90).

(7)(a) *Training Provider:* Allied Training Systems.

Address: 1808 D Brothers Blvd., College Station, TX 77840, Contact: Dan Sheppard, Phone: (409) 693-8300.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/30/89).

Abatement Worker Refresher Course (contingent from 10/26/89).

Contractor/Supervisor (contingent from 8/25/89).

Contractor/Supervisor Refresher Course (contingent from 10/31/89).

(8)(a) *Training Provider:* Allison Sheridan Environmental Training Services.

Address: P.O. Box 6101, Katy, TX 77492, Contact: Don Rawlings, Phone: (713) 787-6033.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/8/90).

Contractor/Supervisor (contingent from 1/8/90).

(9)(a) *Training Provider:* American Specialty Contractors, Inc.

Address: 8181 West Darryl Pkwy., Baton Rouge, LA 70896, Contact: Kurt Jones, Phone: (504) 926-9624.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/18/88).

Abatement Worker (full from 5/3/89).

Contractor/Supervisor (contingent from 11/18/88).

Contractor/Supervisor (full from 5/4/89).

(10)(a) *Training Provider:* Analytical Labs Training Center.

Address: 218 Market St., Baird, TX 79504, Contact: Bob Dye, Phone: (915) 854-1264.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/21/89).

Abatement Worker (full from 2/7/90).

Contractor/Supervisor (contingent from 4/21/89).

Contractor/Supervisor (full from 2/9/90).

(11)(a) *Training Provider:* Asbestos Consulting Services, Inc. (A.C.S.I.).

Address: 13523 Ridgeview Dr., Baton Rouge, LA 70817, Contact: Ken Talbot, Phone: (504) 291-9841.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/2/89).

Abatement Worker (full from 5/10/90).

Abatement Worker Refresher Course (contingent from 3/16/89).

Contractor/Supervisor (contingent from 3/2/89).

Contractor/Supervisor (full from 5/11/90).

Contractor/Supervisor Refresher Course (contingent from 3/16/89).

Inspector/Management Planner (contingent from 3/2/89).

Inspector/Management Planner Refresher Course (contingent from 3/16/89).

(12)(a) *Training Provider:* Asbestos Education Services.

Address: 11609 Barchetta Dr., Austin, TX 78758, Contact: Rick Orr, Phone: (512) 832-5298.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/5/89).

Abatement Worker Refresher Course (contingent from 11/28/89).

Contractor/Supervisor (contingent from 10/25/89).

Contractor/Supervisor Refresher Course (contingent from 10/5/89).

Project Designer Refresher Course (contingent from 11/28/89).

(13)(a) *Training Provider:* Asbestos Surveys & Training, Inc.

Address: 5959 Central Crest, Houston, TX 77092, Contact: J. T. Stoneburger, Phone: (713) 681-2839.

(b) *Approved Course:*

Abatement Worker (full from 10/22/87 to 5/1/89 only).

(14)(a) *Training Provider:* Ashley Environmental Services.

Address: 5959 Central Crest, Houston, TX 77092, Contact: Jesse Ashley, Phone: (713) 683-6311.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/27/89).

Abatement Worker (full from 9/13/90).

Contractor/Supervisor (contingent from 9/29/89).

Contractor/Supervisor (full from 12/21/90).

(15)(a) *Training Provider:* Beaumont Business Incubator.

Address: P.O. Box 1364, Beaumont, TX 77704, Contact: Jerry Plaia, Phone: (409) 832-1934.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/29/90).

Abatement Worker Refresher Course (contingent from 1/29/90).

Contractor/Supervisor (contingent from 1/29/90).

Contractor/Supervisor Refresher Course (contingent from 1/29/90).

(16)(a) *Training Provider:* Carpenters Apprenticeship Training School.

Address: 8505 Glen Vista, Houston, TX 77061, Contact: S. C. Strunk, Jr., Phone: (713) 641-1011.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/8/88).

Abatement Worker Refresher Course (contingent from 7/8/88).

(17)(a) *Training Provider:* Certified Asbestos Training Institute, Inc.

Address: 4202 Argentina Cir., Pasadena, TX 77504, Contact: Clyde O. Waters, Phone: (713) 487-3155.

(b) *Approved Course:*

Abatement Worker (contingent from 4/20/88 to 6/25/91 only).

(18)(a) *Training Provider:* El Paso Community College, Transmountain Campus.

Address: P.O. Box 20500, El Paso, TX 79998, Contact: Jim Rath, Phone: (915) 757-5053.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/28/89).

Abatement Worker (full from 4/10/91).

Abatement Worker Refresher Course (contingent from 11/28/89).

Contractor/Supervisor (contingent from 11/28/89).

Contractor/Supervisor (full from 4/11/91).

Contractor/Supervisor Refresher Course (contingent from 11/28/89).

(19)(a) *Training Provider:* Enviro-Con Services, Inc.

Address: 4916 Highway 6 North, Houston, TX 77084, Contact: Douglas S. Shotwell, Phone: (713) 855-9677.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/22/89).

Abatement Worker (full from 3/28/90).

Abatement Worker Refresher Course (contingent from 10/2/89).

Abatement Worker Refresher Course (full from 5/2/90).

Contractor/Supervisor (contingent from 9/21/89).

Contractor/Supervisor (full from 3/29/90).

Contractor/Supervisor Refresher Course (contingent from 10/2/89).

Contractor/Supervisor Refresher Course (full from 5/3/90).

(20)(a) *Training Provider:*

Environmental Consultant Service.

Address: 401 N. Fannin, Rockwall, TX 75087, Contact: Thomas Armstrong, Phone: (214) 771-1160.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/20/89).

Contractor/Supervisor (contingent from 4/20/89).

Contractor/Supervisor Refresher Course (contingent from 9/1/89).

Inspector/Management Planner (contingent from 4/20/89).

(21)(a) *Training Provider:*

Environmental Monitoring Service, Inc. (EMS).

Address: 12731 Research Blvd., Building A, Austin, TX 78759, Contact: Rick Pruett, Phone: (512) 335-9116.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/1/88).

Abatement Worker Refresher Course (contingent from 1/15/90).

Contractor/Supervisor (contingent from 2/5/90).

Contractor/Supervisor Refresher Course (contingent from 2/5/90).

Inspector/Management Planner (contingent from 4/19/89).

(22)(a) *Training Provider:*

Environmental Specialists, Inc.

Address: 320 Broadway SE, Albuquerque, NM 87102, Contact:

Fernando E.C. Debaca, Phone: (505) 243-2499.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/25/90).

Abatement Worker (full from 2/6/91).

Contractor/Supervisor (contingent from 6/28/90).

Contractor/Supervisor (full from 2/8/91).

Inspector/Management Planner (contingent from 7/27/90).

(23)(a) *Training Provider:* Field Sciences Institute.

Address: 2309 Renard Pl. SE., Suite 104, Albuquerque, NM 87106, Contact: Robert L. Edgar, Phone: (505) 764-9251.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/13/89).

Abatement Worker Refresher Course (full from 8/1/89).

Contractor/Supervisor (contingent from 4/22/88).

Contractor/Supervisor Refresher Course (full from 8/1/89).

Inspector Refresher Course (full from 8/1/89).

Inspector/Management Planner (contingent from 4/22/88).

(24)(a) *Training Provider:* Fort Worth Independent School District.

Address: 3210 West Lancaster, Fort Worth, TX 76107, Contact: H. D. Duncan, Phone: (817) 336-8311.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/27/88).

Abatement Worker Refresher Course (contingent from 7/27/88).

(25)(a) *Training Provider:* GEBCO Associates, Inc.

Address: 669 Airport Freeway, Suite 210, Hurst, TX 76053-3962, Contact: Ed Kirch, Phone: (817) 268-4006.

(b) *Approved Courses:*

Abatement Worker (interim from 4/15/87 to 8/19/87).

Abatement Worker (full from 8/20/87).

Abatement Worker Refresher Course (contingent from 5/16/88).

Abatement Worker Refresher Course (full from 7/5/89).

Contractor/Supervisor (contingent from 3/15/88).

Contractor/Supervisor (full from 7/24/89).

Contractor/Supervisor Refresher Course (contingent from 7/27/88).

Contractor/Supervisor Refresher Course (full from 7/28/89).

Inspector/Management Planner (full from 3/7/88).

Inspector/Management Planner Refresher Course (contingent from 7/27/88).

Inspector/Management Planner Refresher Course (full from 6/16/89).

(26)(a) *Training Provider:* Gary LaFrance Abatement Workers Training Program.

Address: 4802 Prestwick, Tyler, TX 75703, Contact: Gary G. LaFrance, Phone: (214) 581-8852.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/14/88).

Abatement Worker (full from 4/12/89).

(27)(a) *Training Provider:* Houston Independent School District.

Address: 228 McCarty Dr., Houston, TX 77029, Contact: Bennie Jenkins, Phone: (713) 676-2222 Ext. 396.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/10/89).

Abatement Worker Refresher Course (contingent from 10/12/89).

(28)(a) *Training Provider:* IMPACT Inc.

Address: 5330 Griggs Rd., Houston, TX 77021, Contact: Edgar Harvey, Phone: (713) 845-2416.

(b) *Approved Course:*

Abatement Worker (contingent from 8/17/89 to 3/21/91 only).

(29)(a) *Training Provider:*

International Association of Heat & Frost Insulators & Asbestos Workers Local Union No. 22.

Address: 3219 Pasadena Blvd., Pasadena, TX 77503, Contact: Robert M. Chadwick, Phone: (713) 473-0888.

(b) *Approved Courses:*

Abatement Worker (interim from 10/1/87 to 10/4/87).

Abatement Worker (contingent from 10/5/87).

Abatement Worker (full from 3/22/88).

Abatement Worker Refresher Course (contingent from 10/5/87).

Contractor/Supervisor (full from 6/27/88).

(30)(a) *Training Provider:* K & T Safety Service, Inc.

Address: 9888 Bissonnett, Houston, TX 77036, Contact: Henry Kana, Phone: (713) 988-9021.

(b) *Approved Course:*

Abatement Worker (contingent from 3/28/89).

(31)(a) *Training Provider:* Keers Environmental, Inc.

Address: P.O. Box 6848, Albuquerque, NM 89197, Contact: Robert W. Keers, Phone: (505) 888-9525.

(b) *Approved Courses:*

Contractor/Supervisor (contingent from 3/28/89).

Contractor/Supervisor Refresher Course (contingent from 10/6/89).  
 (32)(a) *Training Provider:* Kiser Engineering, Inc.  
 Address: 211 North River St., Seguin, TX 78155, Contact: Nathan Kiser, Phone: (512) 372-2570.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 3/27/89).  
 Abatement Worker Refresher Course (contingent from 8/24/89).  
 Contractor/Supervisor (contingent from 3/29/89).  
 Contractor/Supervisor Refresher Course (contingent from 8/24/89).  
 (33)(a) *Training Provider:* Lafayette Parish School Board Asbestos Training Program.  
 Address: P.O. Drawer 2158, Lafayette, LA 70502, Contact: Salvador E. Longo, Phone: (504) 887-3740.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 7/21/88).  
 Contractor/Supervisor (contingent from 7/21/88).  
 (34)(a) *Training Provider:* Lamar University, Hazardous Materials Program.  
 Address: P.O. Box 10008, Beaumont, TX 77710, Contact: Marion Foster, Phone: (409) 880-2369.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 7/19/88).  
 Abatement Worker (full from 4/26/89).  
 Contractor/Supervisor (contingent from 5/20/88).  
 Contractor/Supervisor Refresher Course (contingent from 10/24/88).  
 Inspector/Management Planner (contingent from 1/15/90).  
 (35)(a) *Training Provider:* Law Engineering.  
 Address: 5500 Guhn Rd., Houston, TX 77040, Contact: Richard MacIntyre, Phone: (713) 939-7161.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 3/14/89).  
 Contractor/Supervisor (contingent from 2/28/90).  
 (36)(a) *Training Provider:* Little-Tex Insulation Co., Inc.  
 Address: 911 North Frio St., San Antonio, TX 78207, Contact: Dan Juepe, Phone: (512) 222-8094.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 8/1/88).  
 Contractor/Supervisor (contingent from 8/1/88).  
 (37)(a) *Training Provider:* Louisiana Laborers Union-AGC Training Fund.

Address: P.O. Box 376, Livonia, LA 70755-0376, Contact: Jamie Peers, Phone: (504) 637-2311.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 7/15/88).  
 Abatement Worker (full from 3/21/91).  
 Abatement Worker Refresher Course (contingent from 4/4/89).  
 Abatement Worker Refresher Course (full from 5/31/91).  
 (38)(a) *Training Provider:* Louisiana State University Agricultural & Mechanical College.  
 Address: 181 Pleasant Hall, Baton Rouge, LA 70803-1520, Contact: Marcia L. Gilman, Phone: (504) 388-6591.  
 (b) *Approved Courses:*  
 Abatement Worker (full from 1/1/88).  
 Abatement Worker Refresher Course (contingent from 11/16/88).  
 Abatement Worker Refresher Course (full from 3/8/89).  
 Contractor/Supervisor (contingent from 10/6/87).  
 Contractor/Supervisor (full from 4/7/88).  
 Contractor/Supervisor Refresher Course (contingent from 11/16/88).  
 Contractor/Supervisor Refresher Course (full from 3/6/89).  
 Inspector/Management Planner (full from 1/18/88).  
 Inspector/Management Planner Refresher Course (contingent from 12/5/88).  
 Inspector/Management Planner Refresher Course (full from 3/7/89).  
 Project Designer (contingent from 10/13/89).  
 Project Designer Refresher Course (contingent from 10/13/89).  
 (39)(a) *Training Provider:* MARTECH International, Inc.  
 Address: P.O. Box 460, Broussard, LA 70518-0460, Contact: Gary Lawley, Phone: (318) 364-3880.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 1/17/89).  
 Contractor/Supervisor (contingent from 1/17/89).  
 (40)(a) *Training Provider:* Maxim Engineers Inc.  
 Address: 2342 Fabens, Dallas, TX 75229, Contact: Tommy Osborne, Phone: (214) 247-7575.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 1/6/89).  
 Abatement Worker (full from 6/9/89).  
 Abatement Worker Refresher Course (contingent from 10/10/89).  
 Abatement Worker Refresher Course (full from 2/8/91).

Inspector (contingent from 12/11/89).  
 Inspector (full from 8/9/90).  
 (41)(a) *Training Provider:* McClelland Management Services.  
 Address: 6100 Hillcroft, Suite 220, Houston, TX 77081, Contact: David Winburne, Phone: (713) 995-9000.  
 (b) *Approved Courses:*  
 Abatement Worker (contingent from 1/5/90).  
 Abatement Worker Refresher Course (contingent from 1/5/90).  
 Contractor/Supervisor (contingent from 1/5/90).  
 Contractor/Supervisor (full from 9/21/90).  
 Contractor/Supervisor Refresher Course (contingent from 1/5/90).  
 Inspector/Management Planner (contingent from 1/5/90).  
 Inspector/Management Planner Refresher Course (contingent from 1/5/90).  
 Project Designer (contingent from 1/5/90).  
 Project Designer Refresher Course (contingent from 1/5/90).  
 (42)(a) *Training Provider:* Meador-Wright & Associates, Inc.  
 Address: 6211 W. Northwest Hwy., Suite C260, Dallas, TX 75225, Contact: Carl Teel, Phone: (214) 691-3485.  
 (b) *Approved Course:*  
 Inspector/Management Planner (full from 10/12/89).  
 (43)(a) *Training Provider:* Micro Analysis Laboratory, Inc.  
 Address: 5220 McKinney, No. 200, Dallas, TX 75205, Contact: Carolyn Jones, Phone: (214) 528-4800.  
 (b) *Approved Course:*  
 Abatement Worker (contingent from 9/6/89).  
 (44)(a) *Training Provider:* Moore-Norman Area Vocational Training School.  
 Address: 4701 12th Ave. NW., Norman, OK 73069, Contact: Mike Armstrong, Phone: (405) 364-7032.  
 (b) *Approved Courses:*  
 Abatement Worker (full from 3/3/86).  
 Abatement Worker Refresher Course (contingent from 5/19/89).  
 Abatement Worker Refresher Course (full from 12/14/89).  
 Contractor/Supervisor (full from 12/14/89).  
 Contractor/Supervisor Refresher Course (contingent from 12/14/89).  
 Contractor/Supervisor Refresher Course (full from 12/14/89).  
 Inspector/Management Planner (contingent from 1/25/88).  
 Inspector/Management Planner (full from 4/4/88).

Inspector/Management Planner  
Refresher Course (contingent from 5/19/89).

Inspector/Management Planner  
Refresher Course (full from 12/15/89).  
(45)(a) *Training Provider*: NATEC of Texas, Inc.

Address: 5555 West Loop South, Suite 636, Bellaire, TX 77041, Contact: Paul Speck, Phone: (713) 524-9444.

(b) *Approved Courses*:

Abatement Worker (contingent from 11/22/89).

Abatement Worker (full from 2/28/91).  
(46)(a) *Training Provider*: Nelson/Imel, Inc.

Address: 3900 Morrison Cir., Norman, OK 73072, Contact: Deborah Nelson, Phone: (405) 364-3278.

(b) *Approved Courses*:

Abatement Worker (contingent from 7/27/88 to 1/31/91 only).

Abatement Worker Refresher Course (contingent from 11/16/88 to 1/31/91 only).

Contractor/Supervisor Refresher Course (contingent from 4/7/89 to 1/31/91 only).

(47)(a) *Training Provider*: O'Connor McMahon, Inc.

Address: 1505 Luna Rd., Suite 114, Carrollton, TX 75006, Contact: Bob Walley, Phone: (214) 245-3300.

(b) *Approved Course*:

Abatement Worker (contingent from 7/27/88).

(48)(a) *Training Provider*: Occupational Safety Health Consultants of Louisiana.

Address: 1034 Willow Brook Ave., Denham Springs, LA 70726, Contact: Clayton Joe Mitchell, Phone: (504) 664-0288.

(b) *Approved Courses*:

Abatement Worker (contingent from 8/22/89).

Abatement Worker Refresher Course (contingent from 8/22/89).

Contractor/Supervisor (contingent from 8/22/89).

Contractor/Supervisor Refresher Course (contingent from 8/22/89).

(49)(a) *Training Provider*: Occupational Safety Training Institute.

Address: 9000 West Bellfort, Suite 450, Houston, TX 77031, Contact: Eva Bonilla, Phone: (713) 270-6882.

(b) *Approved Courses*:

Abatement Worker (contingent from 7/27/88).

Abatement Worker (full from 5/17/91).  
Abatement Worker Refresher Course (contingent from 12/8/88).

Abatement Worker Refresher Course (full from 5/14/91).

Contractor/Supervisor (contingent from 7/27/88).

Contractor/Supervisor (full from 7/27/88).

Contractor/Supervisor Refresher Course (contingent from 12/8/88).

Inspector/Management Planner (contingent from 9/15/88).

(50)(a) *Training Provider*: PAN AM World Services Inc.

Address: P. O. Box 58938, Houston, TX 77258, Contact: Audrey Hall, Phone: (713) 483-7951.

(b) *Approved Course*:

Abatement Worker (contingent from 8/23/89).

(51)(a) *Training Provider*: Phoenix Services.

Address: 3131 Stemmons, Suite 117, Dallas, TX 75247, Contact: Alcee Chriss, Phone: (214) 437-0150.

(b) *Approved Courses*:

Abatement Worker (contingent from 10/18/89).

Abatement Worker Refresher Course (contingent from 11/29/89).

Contractor/Supervisor (contingent from 11/29/89).

Contractor/Supervisor Refresher Course (contingent from 11/29/89).

(52)(a) *Training Provider*: Protechnics Environmental Services.

Address: 14760 Memorial Dr., Suite 105, Houston, TX 77079, Contact: Fabian Limon, Phone: (713) 496-9874.

(b) *Approved Courses*:

Abatement Worker (contingent from 1/5/89 to 2/11/91 only).

Abatement Worker (full from 6/30/89 to 2/11/91 only).

Contractor/Supervisor (contingent from 6/22/89 to 2/11/91 only).

Contractor/Supervisor Refresher Course (contingent from 11/28/89 to 2/11/91 only).

(53)(a) *Training Provider*: R & H Associates, Inc.

Address: P.O. Box 8948, Albuquerque, NM 87198, Contact: Floyd Rubi, Phone: (505) 275-1045.

(b) *Approved Courses*:

Abatement Worker (contingent from 1/12/89).

Abatement Worker Refresher Course (contingent from 4/20/89).

Contractor/Supervisor (contingent from 1/12/89).

Contractor/Supervisor Refresher Course (contingent from 4/20/89).

Inspector/Management Planner (contingent from 1/12/89).

Inspector/Management Planner Refresher Course (contingent from 4/20/89).

(54)(a) *Training Provider*: Raba-Kistner Training Institute.

Address: 12821 West Golden Ln., San Antonio, TX 78249, Contact: Donald Fetzer, Phone: (512) 699-9090.

(b) *Approved Courses*:

Abatement Worker (contingent from 10/23/89).

Contractor/Supervisor Refresher Course (contingent from 12/13/89).

Inspector/Management Planner (contingent from 12/13/89).

Inspector/Management Planner Refresher Course (contingent from 12/13/89).

(55)(a) *Training Provider*: Region 6 Environmental Training.

Address: P.O. Box 180435, Austin, TX 78718-0435, Contact: Carter Ramzel, Phone: (512) 837-9296.

(b) *Approved Courses*:

Abatement Worker (contingent from 7/27/88).

Abatement Worker (full from 3/7/91).

Abatement Worker Refresher Course (contingent from 3/2/89).

Abatement Worker Refresher Course (full from 3/7/91).

Contractor/Supervisor (contingent from 7/27/88).

Contractor/Supervisor (full from 3/8/91).

Contractor/Supervisor Refresher Course (contingent from 3/2/89).

Contractor/Supervisor Refresher Course (full from 3/8/91).

Inspector/Management Planner (contingent from 10/10/89).

Inspector/Management Planner Refresher Course (contingent from 10/10/89).

(56)(a) *Training Provider*: Regional Environmental Training Center.

Address: 9024 Garland Rd., Dallas, TX 75218, Contact: Lisa Adams, Phone: (214) 328-2928.

(b) *Approved Courses*:

Abatement Worker (contingent from 8/30/89).

Contractor/Supervisor (contingent from 9/1/89).

Inspector/Management Planner (contingent from 9/1/89).

(57)(a) *Training Provider*: Safety & Health Research Institute.

Address: 500 One Gallery Tower, 13355 Noel Rd., P.O. Box 612245, Dallas, TX 75261, Contact: Ted Davis, Phone: (214) 851-3536.

(b) *Approved Courses*:

Abatement Worker (contingent from 9/12/88 to 6/25/91 only).

Contractor/Supervisor (contingent from 9/12/88 to 6/25/91 only).

Inspector/Management Planner (contingent from 9/12/88 to 6/25/91 only).



(58)(a) *Training Provider:* Southeast Arkansas Education Services Cooperative.

Address: U.A.M. - Willard Hall, P.O. Box 3507, Monticello, AR 71655, Contact: Lloyd Crossley, Phone: (501) 367-6848.

(b) *Approved Course:*

Inspector/Management Planner Refresher Course (contingent from 4/11/89).

(59)(a) *Training Provider:* Specialized Environmental Services Inc.

Address: 6614 John Ralston Rd., Houston, TX 77049, Contact: James Homminga, Phone: (713) 458-7274.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/29/89).

Abatement Worker (full from 4/19/90).  
Abatement Worker Refresher Course (contingent from 11/29/89).

(60)(a) *Training Provider:* Specialized Environmental Training.

Address: P.O. Box 7001, Pasadena, TX 77508-7001, Contact: Sue Ann Williams, Phone: (713) 487-4415.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/12/90).

Contractor/Supervisor (contingent from 1/12/90).

(61)(a) *Training Provider:* Texas Engineering Extension Service Building Codes Inspection Training Division.

Address: Texas A & M University System, College Station, TX 77843-8000, Contact: Tom Garney, Phone: (409) 845-6682.

(b) *Approved Courses:*

Abatement Worker (full from 9/28/87).  
Contractor/Supervisor (interim from 5/26/86 to 9/13/87).

Contractor/Supervisor (full from 9/14/87).

Contractor/Supervisor Refresher Course (full from 3/2/89).

Inspector/Management Planner (full from 10/19/87).

Inspector/Management Planner Refresher Course (full from 3/1/89).

(62)(a) *Training Provider:* Texas State Conference of Painters & Allied Trades.

Address: P.O. Box 130441, Houston, TX 77223-0441, Contact: John S. Dolney, Phone: (713) 527-0152.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/7/89).

Abatement Worker Refresher Course (contingent from 11/7/89).

(63)(a) *Training Provider:* Texas Tech University.

Address: P.O. Box 4369, Lubbock, TX 79409, Contact: Paul Cotter, Phone: (806) 742-3876.

(b) *Approved Courses:*

Abatement Worker (full from 6/1/90).  
Abatement Worker Refresher Course (contingent from 11/7/89).

Abatement Worker Refresher Course (full from 11/14/90).

Contractor/Supervisor (contingent from 10/31/89).

Contractor/Supervisor (full from 6/8/90).

Contractor/Supervisor Refresher Course (contingent from 11/7/89).

Contractor/Supervisor Refresher Course (full from 11/15/90).

(64)(a) *Training Provider:* The Institute of Environmental Training.

Address: P.O. Box 171181, San Antonio, TX 78217, Contact: Gene Walker, Phone: (512) 822-8438.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/27/88).

Abatement Worker (full from 9/17/90).  
Abatement Worker Refresher Course (contingent from 8/17/89).

Contractor/Supervisor (contingent from 10/20/88).

Contractor/Supervisor (full from 9/19/90).

Contractor/Supervisor Refresher Course (contingent from 8/8/89).

Inspector/Management Planner (contingent from 8/24/89).

(65)(a) *Training Provider:* Tulane University, School of Public Health & Tropical Medicine, Dept. of Environmental Health Sciences.

Address: 1430 Tulane Ave., New Orleans, LA 70112, Contact: Shau-Wong-Chang, Phone: (504) 588-5374.

(b) *Approved Courses:*

Contractor/Supervisor (interim from 3/17/87 to 9/14/87).

Contractor/Supervisor (full from 9/15/87).

Contractor/Supervisor Refresher Course (contingent from 8/1/89).

Inspector/Management Planner (contingent from 5/20/88).

Inspector/Management Planner Refresher Course (contingent from 8/1/89).

(66)(a) *Training Provider:* U.S. Analytical, Inc.

Address: P.O. Box 801, Abilene, TX 79604, Contact: Keith Davis, Phone: (915) 698-3293.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/13/89).

Abatement Worker Refresher Course (contingent from 1/5/89).

Contractor/Supervisor (contingent from 2/13/89).

(67)(a) *Training Provider:* U.S. Environmental Services.

Address: 2621 Cullen St., Ft. Worth, TX 76107, Contact: Sandra Liebenberg, Phone: (817) 429-9400.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/8/90).

Abatement Worker Refresher Course (contingent from 1/8/90).

Abatement Worker Refresher Course (full from 5/17/91).

(68)(a) *Training Provider:* University of Arkansas at Little Rock Biology Dept.  
Address: 33rd & University, Little Rock, AR 72204, Contact: Phyllis Moore, Phone: (501) 569-3270.

(b) *Approved Courses:*

Inspector/Management Planner (contingent from 8/18/89).

Inspector/Management Planner (full from 6/15/90).

Inspector/Management Planner Refresher Course (contingent from 6/20/89).

Inspector/Management Planner Refresher Course (full from 6/13/91).

(69)(a) *Training Provider:* University of Arkansas at Little Rock, Labor Education Program.

Address: 2801 South University, Little Rock, AR 72204, Contact: James E. Nickles, Phone: (501) 569-8483.

(b) *Approved Courses:*

Inspector/Management Planner (contingent from 9/14/88).

Inspector/Management Planner Refresher Course (contingent from 9/12/88).

(70)(a) *Training Provider:* University of New Mexico, The Environmental Training Center Division of Continuing Education.

Address: 1634 University Blvd. NE., Albuquerque, NM 87131, Contact: Cortez Williams, Phone: (505) 277-9060.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/4/89).

Abatement Worker Refresher Course (contingent from 10/5/89).

Contractor/Supervisor (contingent from 6/16/85).

Contractor/Supervisor Refresher Course (contingent from 10/5/89).

Inspector/Management Planner (contingent from 9/19/89).

Inspector/Management Planner Refresher Course (contingent from 10/6/89).

(71)(a) *Training Provider:* University of Texas Health Center at TYLER.

Address: P.O. Box 2003, Tyler, TX 75710, Contact: Ronald F. Dodson, Phone: (214) 877-7877.

**(b) Approved Courses:**

Abatement Worker (full from 4/14/88).  
Abatement Worker Refresher Course  
(full from 10/27/88).

Contractor/Supervisor (full from 3/7/88).

Contractor/Supervisor Refresher Course  
(full from 10/27/88).

Inspector/Management Planner  
(contingent from 3/21/88).

Inspector/Management Planner (full  
from 4/15/88).

Inspector/Management Planner  
Refresher Course (full from 10/27/88).

(72)(a) *Training Provider:* University  
of Texas at Arlington Civil Engineering  
Dept.

Address: Box 19308, Arlington, TX  
76019, Contact: Vic Argento, Phone:  
(817) 273-3694.

**(b) Approved Courses:**

Contractor/Supervisor (full from 7/14/86).

Contractor/Supervisor Refresher Course  
(full from 9/26/88).

Inspector/Management Planner (full  
from 10/19/87).

Inspector/Management Planner  
Refresher Course (full from 9/26/88).

(73)(a) *Training Provider:* Veltmann  
Engineering.

Address: Midland Air Park, P.O. Box  
50741, Midland, TX 79710, Contact:  
Clyde Veltmann, Phone: (915) 683-  
1874.

**(b) Approved Courses:**

Abatement Worker (contingent from 7/27/88).

Contractor/Supervisor (contingent from  
7/27/88).

Contractor/Supervisor Refresher Course  
(contingent from 8/8/89).

(74)(a) *Training Provider:* Young  
Insulation Group of Amarillo, Inc.

Address: P.O. Box 5098, Amarillo, TX  
79117, Contact: Beauna E. Pate, Phone:  
(806) 857-3586.

**(b) Approved Courses:**

Abatement Worker (contingent from 7/27/88).

Abatement Worker Refresher Course  
(contingent from 7/27/88).

**REGION VII -- Kansas City, KS****Regional Asbestos Coordinator:**

Wolfgang Brandner, EPA, Region VII,  
(ARTX), 728 Minnesota Ave., Kansas  
City, KS 66101. (913) 551-7381, (FTS) 551-  
7381.

*List of Approved Courses:* The  
following training courses have been  
approved by EPA. The courses are listed  
under (b). This approval is subject to the  
level of certification indicated after the  
course name. Training Providers are  
listed in alphabetical order and do not

reflect a prioritization. Approvals for  
Region VII training courses and contact  
points for each, are as follows:

(1)(a) *Training Provider:* AEROSTAT  
Environmental Engineering Corporation.  
Address: Box 3096, Lawrence, KS 66046,  
Contact: Joseph Stimac, Phone: (913)  
749-4747.

**(b) Approved Courses:**

Abatement Worker (full from 5/9/88).

Abatement Worker Refresher Course  
(contingent from 3/3/89).

Abatement Worker Refresher Course  
(full from 3/16/89).

Contractor/Supervisor (full from 5/9/88).

Inspector/Management Planner  
(contingent from 3/14/88).

Inspector/Management Planner (full  
from 1/23/89).

Inspector/Management Planner  
Refresher Course (contingent from 1/  
13/89).

Inspector/Management Planner  
Refresher Course (full from 2/14/89).

(2)(a) *Training Provider:* Abatement  
Project Training.

Address: P.O. Box 4372, Kansas City, KS  
66104, Contact: Virginia Ireton, Phone:  
(913) 788-3440.

**(b) Approved Courses:**

Abatement Worker (contingent from 12/  
15/88).

Abatement Worker (full from 4/27/89).

Abatement Worker Refresher Course  
(contingent from 3/27/89).

Abatement Worker Refresher Course  
(full from 4/29/89).

Contractor/Supervisor (contingent from  
3/23/89).

Contractor/Supervisor (full from 4/28/  
89).

Contractor/Supervisor Refresher Course  
(contingent from 6/21/89).

Contractor/Supervisor Refresher Course  
(full from 1/8/90).

(3)(a) *Training Provider:* Accredited  
Project Design Environmental  
Management.

Address: 9636 S.W. Wanamaker Rd.,  
Wakarusa, KS 66549-9609, Contact:  
Richard H. Pointer, Phone: (913) 256-  
2003.

**(b) Approved Courses:**

Abatement Worker (contingent from 11/  
13/89).

Abatement Worker (full from 2/8/90).

Abatement Worker Refresher Course  
(contingent from 2/21/90).

Contractor/Supervisor (contingent from  
11/16/89).

Contractor/Supervisor (full from 2/8/  
90).

Contractor/Supervisor Refresher Course  
(contingent from 2/15/90).

Inspector/Management Planner  
(contingent from 11/16/89).

Inspector/Management Planner (full  
from 1/22/90).

Inspector/Management Planner  
Refresher Course (contingent from 2/  
16/90).

(4)(a) *Training Provider:* American  
Asbestos Training Center, Ltd.

Address: 121 East Grand, Monticello, IA  
52310, Contact: Steve Intlekofer,  
Phone: (319) 465-5786.

**(b) Approved Courses:**

Abatement Worker (full from 6/27/88).

Abatement Worker Refresher Course  
(contingent from 6/23/89).

Abatement Worker Refresher Course  
(full from 6/26/89).

Contractor/Supervisor (full from 6/27/  
88).

Contractor/Supervisor Refresher Course  
(contingent from 6/23/89).

Contractor/Supervisor Refresher Course  
(full from 6/26/89).

Inspector/Management Planner  
(contingent from 10/26/88).

Inspector/Management Planner (full  
from 11/18/88).

Inspector/Management Planner  
Refresher Course (contingent from 11/  
10/89).

Inspector/Management Planner  
Refresher Course (full from 11/16/89).

(5)(a) *Training Provider:* Asbestos  
Consulting Testing (ACT).

Address: 14953 West 101st Ter., Lenexa,  
KS 66215, Contact: Jim Pickel, Phone:  
(913) 492-1337.

**(b) Approved Courses:**

Abatement Worker (full from 1/25/88).

Abatement Worker Refresher Course  
(full from 1/6/89).

Contractor/Supervisor (full from 1/25/  
88).

Contractor/Supervisor Refresher Course  
(full from 1/6/89).

(6)(a) *Training Provider:* Baird  
Scientific, Inc.

Address: 221 West Fourth St., P.O. Box  
842, Carthage, MO 64836, Contact:  
Timothy Redfern, Phone: (417) 358-  
5567.

**(b) Approved Courses:**

Abatement Worker (contingent from 9/  
26/89).

Abatement Worker (full from 10/19/89).

Abatement Worker Refresher Course  
(contingent from 7/3/90).

Abatement Worker Refresher Course  
(full from 6/25/91).

Contractor/Supervisor (contingent from  
9/26/89).

Contractor/Supervisor (full from 10/19/  
89).

Contractor/Supervisor Refresher Course  
(contingent from 7/31/90).

Contractor/Supervisor Refresher Course (full from 6/26/91).

(7)(a) *Training Provider:* CHART Services, Ltd.

Address: 4725 Merle Hay Rd., Suite 214, Des Moines, IA 50322, Contact: Mary A. Finn, Phone: (515) 276-3642.

(b) *Approved Courses:*

Abatement Worker (full from 11/17/87).  
Abatement Worker Refresher Course (full from 10/17/88).

Contractor/Supervisor (full from 11/17/87).

Contractor/Supervisor Refresher Course (full from 10/17/88).

Inspector/Management Planner (full from 2/22/88).

Inspector/Management Planner Refresher Course (full from 11/28/88).

(8)(a) *Training Provider:* Construction Industry Laborers' Training Institute for Eastern Missouri.

Address: Route 1, Box 79 H, High Hill, MO 63350, Contact: Jerald A. Pelker, Phone: (314) 585-2391.

(b) *Approved Courses:*

Abatement Worker (full from 1/19/88).  
Abatement Worker Refresher Course (contingent from 5/18/89).

Abatement Worker Refresher Course (full from 5/31/89).

(9)(a) *Training Provider:* Construction Laborers Building Corp.

Address: 11000 North 72nd St., Omaha, NE 68122, Contact: Leonard Schaffer, Sr., Phone: (402) 572-1470.

(b) *Approved Course:*

Abatement Worker (full from 11/2/87).

(10)(a) *Training Provider:* Educational Innovations.

Address: 10 East 3rd St., Lee's Summit, MO 64063, Contact: JoAnn Onwiler DeLaney, Phone: (816) 525-6911.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/11/89).

Abatement Worker (full from 5/2/89).

Abatement Worker Refresher Course (contingent from 3/29/89).

Abatement Worker Refresher Course (full from 8/2/89).

Contractor/Supervisor (contingent from 4/11/89).

Contractor/Supervisor (full from 5/2/89).

Contractor/Supervisor Refresher Course (contingent from 3/29/89).

Contractor/Supervisor Refresher Course (full from 8/2/89).

Inspector/Management Planner Refresher Course (contingent from 2/4/91).

Inspector/Management Planner Refresher Course (full from 5/15/91).

Project Designer Refresher Course (contingent from 6/21/89).

Project Designer Refresher Course (full from 7/31/89).

(11)(a) *Training Provider:* Enviro-Impact Inspections, Inc.

Address: 1515 North Warson, Suite 213, St. Louis, MO 63132, Contact: Denis Boles, Phone: not available.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/8/88 to 11/9/90 only).

Contractor/Supervisor (contingent from 3/8/88 to 11/9/90 only).

(12)(a) *Training Provider:* Environmental Salvage, Ltd.

Address: 4930 South 23rd St., Omaha, NE 68107, Contact: John Deseck, Phone: (402) 733-2595.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/12/89).

Abatement Worker (full from 2/16/89).  
Abatement Worker Refresher Course (contingent from 6/22/89).

Abatement Worker Refresher Course (full from 8/1/89).

Contractor/Supervisor (contingent from 1/12/89).

Contractor/Supervisor (full from 2/16/89).

Contractor/Supervisor Refresher Course (contingent from 6/22/89).

Contractor/Supervisor Refresher Course (full from 8/1/89).

(13)(a) *Training Provider:* Environmental Technology, Inc. (ETI).

Address: 4315 Merriam Dr., Overland Park, KS 66203, Contact: Gene Dettmer, Phone: (913) 236-5040.

(b) *Approved Courses:*

Abatement Worker (full from 2/29/88).

Abatement Worker Refresher Course (contingent from 4/26/89).

Abatement Worker Refresher Course (full from 7/18/89).

(14)(a) *Training Provider:* Flint Hills Area Vocational-Technical School.

Address: 3301 West 18th Ave., Emporia, KS 66801, Contact: Jim Krueger, Phone: (316) 342-6404.

(b) *Approved Course:*

Abatement Worker (full from 3/7/88).

(15)(a) *Training Provider:* General Services Administration (GSA)- Region 6 Safety & Environmental Management Div.

Address: 1500 East Bannister Rd., Kansas City, MO 64131-3088, Contact: Sharon Kersey, Phone: (816) 926-5318.

(b) *Approved Courses:*

Inspector/Management Planner (full from 5/16/88).

Inspector/Management Planner Refresher Course (contingent from 7/18/89).

Inspector/Management Planner Refresher Course (full from 8/29/89).

(16)(a) *Training Provider:* Greater Kansas City Laborers Training Fund.

Address: 8944 Kaw Dr., Kansas City, KS 66111, Contact: James D. Barnett, Phone: (913) 441-6100.

(b) *Approved Courses:*

Abatement Worker (full from 2/1/88).

Abatement Worker Refresher Course (contingent from 6/19/89).

Abatement Worker Refresher Course (full from 7/19/89).

Contractor/Supervisor (full from 5/2/88).

Contractor/Supervisor Refresher Course (contingent from 6/19/89).

Contractor/Supervisor Refresher Course (full from 7/20/89).

(17)(a) *Training Provider:* Hazard Control Training Enterprises, Inc.

Address: P.O. Box 20594, Wichita, KS 67208, Contact: Karen Alexander, Phone: not available.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/19/88 to 12/7/88 only).

Contractor/Supervisor (contingent from 10/19/88 to 12/7/88 only).

(18)(a) *Training Provider:* Hazardous Materials Training & Research Institute.

Address: 306 West River Dr., Davenport, IA 52801-1221, Contact: Kirk Barkdoll, Phone: (319) 322-5015.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/6/89).

Abatement Worker (full from 4/13/89).

Contractor/Supervisor (contingent from 6/8/89).

Contractor/Supervisor (full from 7/21/89).

(19)(a) *Training Provider:* Insulators & Asbestos Workers Midwest States Health & Training Council.

Address: Rural Route 2, Wahoo, NE 68066, Contact: Ray Richmond, Phone: (402) 443-4810.

(b) *Approved Courses:*

Abatement Worker (full from 6/28/88).

Abatement Worker Refresher Course (contingent from 4/4/89).

Abatement Worker Refresher Course (full from 4/24/89).

Contractor/Supervisor (full from 6/28/88).

Contractor/Supervisor Refresher Course (contingent from 4/4/89).

Contractor/Supervisor Refresher Course (full from 4/24/89).

(20)(a) *Training Provider:* International Association of Heat & Frost Insulators & Asbestos Workers Local No.1.

Address: 3325 Hallenberg Dr., St. Louis, MO 63044, Contact: James M. Hagen, Phone: (314) 291-7399.

(b) *Approved Courses:*

Abatement Worker (full from 6/6/88).

Abatement Worker Refresher Course (contingent from 6/28/89).

Abatement Worker Refresher Course (full from 8/30/89).

Contractor/Supervisor (full from 9/16/88).

Contractor/Supervisor Refresher Course (contingent from 8/14/89).

Contractor/Supervisor Refresher Course (full from 8/18/89).

(21)(a) *Training Provider:* Iowa Dept. of Education.

Address: Grimes State Office Bldg., Des Moines, IA 50319, Contact: C. Milt Wilson, Phone: (515) 281-4743.

(b) *Approved Course:*

Inspector/Management Planner (full from 4/4/88).

(22)(a) *Training Provider:* Iowa Laborers District Council Training Fund.

Address: 5806 Meredith Dr., Suite B, Des Moines, IA 50322, Contact: Jack G. Jones, Phone: (515) 270-6965.

(b) *Approved Courses:*

Abatement Worker (full from 2/22/88).

Abatement Worker Refresher Course (contingent from 11/10/89).

Abatement Worker Refresher Course (full from 11/14/89).

Contractor/Supervisor (contingent from 10/14/88).

Contractor/Supervisor (full from 12/6/89).

(23)(a) *Training Provider:* Kansas Construction Laborers' Training Trust Fund.

Address: 2430 Marlatt Ave., Manhattan, KS 66502, Contact: Fred Tipton, Phone: (913) 267-0140.

(b) *Approved Courses:*

Abatement Worker (full from 1/5/88).

Abatement Worker Refresher Course (contingent from 6/19/89).

Abatement Worker Refresher Course (full from 7/19/89).

Contractor/Supervisor (full from 5/2/88).

Contractor/Supervisor Refresher Course (contingent from 6/19/89).

Contractor/Supervisor Refresher Course (full from 7/20/89).

(24)(a) *Training Provider:* Kansas State University.

Address: Division of Facilities Management, Dykstra Hall, Manhattan, KS 66508, Contact: Robert D. Williams, Phone: (913) 532-8369.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/7/89).

Abatement Worker (full from 2/8/90), Abatement Worker Refresher Course (contingent from 1/3/90).

Abatement Worker Refresher Course (full from 2/8/90).

(25)(a) *Training Provider:* Living Word College.

Address: 2750 McKelvey Rd., St. Louis, MO 63043, Contact: Donald C. Femmer, Phone: (314) 291-2749.

(b) *Approved Course:*

Inspector/Management Planner (full from 4/18/88 to 5/6/88 only).

(26)(a) *Training Provider:* MI-TON, Inc.

Address: 205 W. Walnut, Springfield, MO 65836, Contact: Barry Mills, Phone: (417) 831-4647.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/14/89).

Abatement Worker (full from 5/15/89).

Abatement Worker Refresher Course (contingent from 4/16/90).

Abatement Worker Refresher Course (full from 5/18/90).

Contractor/Supervisor (contingent from 4/14/89).

Contractor/Supervisor (full from 5/15/89).

Contractor/Supervisor Refresher Course (contingent from 4/17/90).

Contractor/Supervisor Refresher Course (full from 5/11/90).

Inspector/Management Planner (full from 3/14/88).

Inspector/Management Planner Refresher Course (contingent from 3/30/89).

Inspector/Management Planner Refresher Course (full from 4/3/89).

(27)(a) *Training Provider:* Maple Woods Community College.

Address: 10771 Ambassador Dr., Kansas City, MO 64153, Contact: James C. Lauer, Phone: (816) 891-6500.

(b) *Approved Courses:*

Abatement Worker (full from 2/1/88).

Abatement Worker Refresher Course (full from 1/13/89).

Contractor/Supervisor (full from 3/28/88).

Contractor/Supervisor Refresher Course (full from 1/13/89).

Inspector/Management Planner (contingent from 4/20/88).

Inspector/Management Planner (full from 5/2/88).

Inspector/Management Planner Refresher Course (contingent from 7/27/89).

Inspector/Management Planner Refresher Course (full from 7/28/89).

(28)(a) *Training Provider:* Mayhew Environmental Training Associates, Inc. (META).

Address: P.O. Box 1961, Lawrence, KS 66044, Contact: Brad Mayhew or Robyn Harris, Phone: (800) 444-6382.

(b) *Approved Courses:*

Abatement Worker (full from 10/20/87).

Abatement Worker Refresher Course (full from 11/14/88).

Contractor/Supervisor (full from 10/20/87).

Contractor/Supervisor Refresher Course (full from 11/14/88).

Inspector/Management Planner (full from 8/8/88).

Inspector/Management Planner Refresher Course (full from 1/30/89).

Project Designer (contingent from 6/18/91).

Project Designer Refresher Course (contingent from 2/6/91).

Project Designer Refresher Course (full from 3/4/91).

(29)(a) *Training Provider:* Midwest Environmental Testing & Training, Inc.

Address: 1508 N.W. 18th St., Blue Springs, MO 64105, Contact: Steve Minshall, Phone: (816) 229-3853.

(b) *Approved Courses:*

Abatement Worker (full from 5/9/88 to 6/5/89 only).

Abatement Worker Refresher Course (contingent from 4/28/89 to 6/5/89 only).

Contractor/Supervisor (full from 5/9/88 to 6/5/89 only).

Contractor/Supervisor Refresher Course (contingent from 4/28/89 to 6/5/89 only).

(30)(a) *Training Provider:* National Asbestos Training Center, University of Kansas.

Address: 6330 College Blvd., Suite 315, Overland Park, KS 66211-1506, Contact: Karen Wilson, Phone: (913) 491-0181.

(b) *Approved Courses:*

Abatement Worker (full from 7/27/87).

Abatement Worker Refresher Course (contingent from 10/5/88).

Abatement Worker Refresher Course (full from 9/26/89).

Contractor/Supervisor (interim from 6/1/85 to 7/26/87).

Contractor/Supervisor (full from 7/27/87).

Contractor/Supervisor Refresher Course (contingent from 10/5/88).

Contractor/Supervisor Refresher Course (full from 10/11/88).

Inspector/Management Planner (full from 10/26/87).

Inspector/Management Planner Refresher Course (contingent from 10/5/88).

Inspector/Management Planner Refresher Course (full from 10/10/88).

(31)(a) *Training Provider:* Occu-Tec, Inc.  
Address: 6501 East Commerce Ave., Suite 208, Kansas City, MO 64120, Contact: Duncan Heydon, Phone: (816) 231-5580.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/29/90).  
Abatement Worker (full from 7/26/90).  
Abatement Worker Refresher Course (contingent from 1/29/90).  
Abatement Worker Refresher Course (full from 4/2/90).  
Contractor/Supervisor (contingent from 1/29/90).  
Contractor/Supervisor (full from 7/26/90).  
Contractor/Supervisor Refresher Course (contingent from 1/29/90).  
Contractor/Supervisor Refresher Course (full from 4/2/90).  
Inspector/Management Planner (contingent from 1/29/90).  
Inspector/Management Planner (full from 12/12/90).  
Inspector/Management Planner Refresher Course (contingent from 1/29/90).  
Inspector/Management Planner Refresher Course (full from 4/2/90).

(32)(a) *Training Provider:* PS&H Inc.  
Address: 1810 Craig Rd., Suite 114, St. Louis, MO 63146, Contact: Carol E. Hoag, Phone: (314) 275-7733.

(b) *Approved Courses:*

Abatement Worker (full from 11/28/88).  
Abatement Worker Refresher Course (contingent from 9/14/89).  
Abatement Worker Refresher Course (full from 11/2/89).  
Contractor/Supervisor (full from 11/28/88).  
Contractor/Supervisor Refresher Course (contingent from 9/14/89).  
Contractor/Supervisor Refresher Course (full from 11/2/89).  
Inspector/Management Planner (full from 6/23/88).  
Inspector/Management Planner Refresher Course (contingent from 1/19/89).  
Inspector/Management Planner Refresher Course (full from 3/2/89).

(33)(a) *Training Provider:* Performance Abatement Services, Inc.  
Address: 14801 West 99th St., P.O. Box 19328, Lenexa, KS 66215, Contact: Tony Chiaverini, Phone: (913) 888-2423.

(b) *Approved Courses:*

Contractor/Supervisor (contingent from 7/6/89).  
Contractor/Supervisor (full from 7/27/89).

(34)(a) *Training Provider:* Professional Service Industries, Inc.

Address: 4840 West 15th St., Lawrence, KS 66049, Contact: Margaret Maninger, Phone: (800) 346-2860.

(b) *Approved Courses:*

Abatement Worker (full from 8/17/87).  
Abatement Worker Refresher Course (contingent from 9/19/88).  
Abatement Worker Refresher Course (full from 10/19/88).  
Contractor/Supervisor (full from 8/17/87).  
Contractor/Supervisor Refresher Course (contingent from 9/19/88).  
Contractor/Supervisor Refresher Course (full from 10/20/88).  
Inspector/Management Planner (full from 8/17/87).  
Inspector/Management Planner Refresher Course (full from 9/19/88).  
Project Designer (full from 8/17/87).  
Project Designer Refresher Course (contingent from 9/19/88).  
Project Designer Refresher Course (full from 12/20/88).

(35)(a) *Training Provider:* Ramsey - Schilling Consulting Group, Inc.

Address: 503 Main, Belton, MO 64012, Contact: George McDowell, Phone: (816) 331-0002.

(b) *Approved Course:*

Inspector (contingent from 1/30/90).

(36)(a) *Training Provider:* Roth Asbestos Consultants, Inc.

Address: 1900 West 47th Pl., Westwood, KS 66205, Contact: Donald J. Welsh, Phone: (913) 831-4795.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/9/89).  
Abatement Worker (full from 3/13/89).  
Abatement Worker Refresher Course (contingent from 6/15/89).  
Abatement Worker Refresher Course (full from 7/24/89).  
Contractor/Supervisor (contingent from 5/16/89).  
Contractor/Supervisor (full from 7/20/89).  
Contractor/Supervisor Refresher Course (contingent from 5/18/89).  
Contractor/Supervisor Refresher Course (full from 7/24/89).  
Inspector/Management Planner Refresher Course (contingent from 1/19/89).  
Inspector/Management Planner Refresher Course (full from 1/23/89).

(37)(a) *Training Provider:* Ryckman's Emergency Action & Consulting Team (REACT).

Address: 2208 Welsch Industrial Ct., St. Louis, MO 63146, Contact: Nicolaus P. Neuman, Phone: (800) 325-1398.

(b) *Approved Courses:*

Abatement Worker (full from 7/26/88).  
Abatement Worker Refresher Course (contingent from 4/26/89).

Abatement Worker Refresher Course (full from 8/3/89).

Contractor/Supervisor (full from 7/26/88).

Contractor/Supervisor Refresher Course (contingent from 4/26/89).

Contractor/Supervisor Refresher Course (full from 8/4/89).

(38)(a) *Training Provider:* University of Missouri-Columbia Environmental Health and Safety.

Address: Research Park Development Bldg., Columbia, MO 65211, Contact: Brent S. Mattox, Phone: (314) 882-7018.

(b) *Approved Courses:*

Contractor/Supervisor (contingent from 8/8/90).

Contractor/Supervisor (full from 8/23/90).

**REGION VIII -- Denver, CO**

*Regional Asbestos Coordinator:* David Combs, (8AT-TS), EPA, Region VIII, 1 Denver Place, 999-18th St., Suite 500, Denver, CO 80202-2413. (303) 293-1442, (FTS) 330-1442.

*List of Approved Courses:* The following training courses have been approved by EPA. The courses are listed under (b). This approval is subject to the level of certification indicated after the course name. Training Providers are listed in alphabetical order and do not reflect a prioritization. Approvals for Region VIII training courses and contact points for each, are as follows.

(1)(a) *Training Provider:* Acme Asbestos Removal.

Address: 9101 Pearl St., Suite 307, Thornton, CO 80229, Contact: Eugene Aragon, Phone: (303) 450-5026.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/26/89).

Abatement Worker (full from 11/22/89).

Abatement Worker Refresher Course (contingent from 5/31/89).

Contractor/Supervisor (contingent from 7/26/89).

Contractor/Supervisor (full from 11/22/89).

(2)(a) *Training Provider:* Asbestos Training & Supply.

Address: 504 Saddle Dr., Cheyenne, WY 82009, Contact: F. Gerald Blackwell, Phone: (307) 634-6858.

(b) *Approved Courses:*

Abatement Worker (contingent from 5/2/89).

Abatement Worker (full from 5/4/90).

(3)(a) *Training Provider:* Chen-Northern, Inc.

Address: P.O. Box 30615, Billings, MT 59107, Contact: Kathleen A. Smit, Phone: (406) 248-9161.

**(b) Approved Courses:**

Abatement Worker (contingent from 10/1/87).

Abatement Worker (full from 1/11/90).

Abatement Worker Refresher Course (contingent from 2/16/89).

Abatement Worker Refresher Course (full from 11/8/90).

Contractor/Supervisor (contingent from 10/31/88).

Contractor/Supervisor (full from 1/11/90).

Contractor/Supervisor Refresher Course (contingent from 5/31/89).

Contractor/Supervisor Refresher Course (full from 11/9/90).

**(4)(a) Training Provider:** Colorado Carpenters Statewide Joint Apprenticeship Educational & Training Committee.

Address: 4290 Holly St., Denver, CO 80216, Contact: Danny Thele, Phone: (303) 393-6060.

**(b) Approved Courses:**

Abatement Worker (contingent from 12/1/88).

Abatement Worker (full from 12/19/88).

**(5)(a) Training Provider:** Colorado Laborers' & Contractors' Education & Training Fund.

Address: 10505 Havana, Brighton, CO 80601, Contact: James Zancanaro, Phone: (303) 287-3116.

**(b) Approved Courses:**

Abatement Worker (contingent from 2/16/89).

Abatement Worker (full from 2/16/89).

**(6)(a) Training Provider:** Colorado State University Dept. of Industrial Sciences.

Address: Fort Collins, CO 80523, Contact: Birgit Wolff, Phone: (303) 491-7240.

**(b) Approved Courses:**

Abatement Worker (contingent from 8/23/88).

Abatement Worker (full from 9/22/90).

Abatement Worker Refresher Course (contingent from 12/9/88).

Abatement Worker Refresher Course (full from 4/6/90).

Contractor/Supervisor (contingent from 12/29/88).

Contractor/Supervisor (full from 9/22/90).

Contractor/Supervisor Refresher Course (contingent from 12/9/88).

Contractor/Supervisor Refresher Course (full from 4/6/90).

Inspector/Management Planner (contingent from 3/14/88).

Inspector/Management Planner (full from 5/23/88).

Inspector/Management Planner Refresher Course (contingent from 12/9/88).

Inspector/Management Planner Refresher Course (full from 1/17/89).

**(7)(a) Training Provider:** Colorado Training Institute.

Address: 560 Cherokee St., Denver, CO 80204, Contact: Carlos M. Guerra, Phone: (303) 595-3100.

**(b) Approved Courses:**

Abatement Worker (contingent from 10/31/88).

Abatement Worker (full from 9/19/90).

Abatement Worker Refresher Course (contingent from 12/29/88).

Contractor/Supervisor (contingent from 10/31/88).

Contractor/Supervisor (full from 9/20/90).

Contractor/Supervisor Refresher Course (contingent from 12/29/88).

**(8)(a) Training Provider:** Energy Insulation, Inc. (EII).

Address: P.O. Box 1996, Casper, WY 82602, Contact: David K. Fox, Phone: (307) 473-1247.

**(b) Approved Courses:**

Abatement Worker (contingent from 5/18/88 to 6/1/90 only).

Abatement Worker (full from 6/22/88 to 6/1/90 only).

**(9)(a) Training Provider:** Engineering Extension College of Engineering South Dakota State University.

Address: Box 507, Brookings, SD 57007-0597, Contact: James Ceglian, Phone: (605) 688-4101.

**(b) Approved Courses:**

Contractor/Supervisor (contingent from 5/18/88).

Inspector/Management Planner (contingent from 5/18/88).

**(10)(a) Training Provider:** Envir-o-Tech.

Address: 300 Moore Ln., Billings, MT 59102, Contact: Leonard Cranford, Phone: (406) 252-7538.

**(b) Approved Courses:**

Abatement Worker (contingent from 6/13/88).

Abatement Worker (full from 7/6/88).

**(11)(a) Training Provider:** Front Range Community College.

Address: 3645 West 112 Ave., Westminster, CO 80030, Contact: Gwen Burton, Phone: (303) 466-8811.

**(b) Approved Courses:**

Abatement Worker (contingent from 6/13/88).

Abatement Worker (full from 4/7/89).

Abatement Worker Refresher Course (contingent from 2/28/89).

Abatement Worker Refresher Course (full from 7/26/90).

Contractor/Supervisor (contingent from 2/28/89).

Contractor/Supervisor (full from 4/7/89).

Contractor/Supervisor Refresher Course (contingent from 2/28/89).

Contractor/Supervisor Refresher Course (full from 7/27/90).

Inspector/Management Planner (contingent from 2/28/89).

Inspector/Management Planner (full from 1/26/90).

Inspector/Management Planner Refresher Course (contingent from 2/28/89).

Inspector/Management Planner Refresher Course (full from 6/7/91).

**(12)(a) Training Provider:** HWS Technologies, Inc.

Address: 9101 East Kenyon Ave., Suite 1600, Denver, CO 80237, Contact: William C. Oleskevich, Phone: (303) 771-6868.

**(b) Approved Courses:**

Abatement Worker (contingent from 2/28/89).

Abatement Worker (full from 4/7/89).

Abatement Worker Refresher Course (contingent from 2/28/89).

Abatement Worker Refresher Course (full from 6/29/89).

Contractor/Supervisor (contingent from 2/28/89).

Contractor/Supervisor (full from 4/7/89).

Contractor/Supervisor Refresher Course (contingent from 2/28/89).

Contractor/Supervisor Refresher Course (full from 6/29/89).

Inspector/Management Planner (contingent from 2/28/89).

Inspector/Management Planner Refresher Course (contingent from 2/28/89).

Inspector/Management Planner Refresher Course (full from 6/29/89).

**(13)(a) Training Provider:** Hager Laboratories, Inc.

Address: 5930 McIntire St., P.O. Box 4012, Golden, CO 80403, Contact: Charles Metzger & D. Robinson, Phone: (303) 278-3400.

**(b) Approved Courses:**

Abatement Worker (full from 3/28/88).

Abatement Worker Refresher Course (contingent from 10/7/88).

Abatement Worker Refresher Course (full from 4/26/89).

Contractor/Supervisor (full from 3/28/88).

Contractor/Supervisor Refresher Course (contingent from 10/7/88).

Contractor/Supervisor Refresher Course (full from 1/25/89).

Inspector/Management Planner (contingent from 4/20/88).

Inspector/Management Planner (full from 5/2/88).

Inspector/Management Planner  
Refresher Course (contingent from 10/7/88).

Inspector/Management Planner  
Refresher Course (full from 12/6/89).

(14)(a) *Training Provider:* Industrial Health, Inc. (IHI).

Address: 640 East Wilmington Ave., Salt Lake City, UT 84106, Contact: Donald E. Marano, Phone: (801) 466-2223.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/4/89).

Abatement Worker (full from 11/13/89).

Abatement Worker Refresher Course (contingent from 6/15/89).

Contractor/Supervisor (contingent from 4/22/88).

Contractor/Supervisor (full from 11/13/89).

Contractor/Supervisor Refresher Course (contingent from 4/24/89).

Contractor/Supervisor Refresher Course (full from 11/2/90).

Inspector/Management Planner (contingent from 2/28/89).

Inspector/Management Planner (full from 4/17/89).

Inspector/Management Planner  
Refresher Course (contingent from 12/29/88).

Inspector/Management Planner  
Refresher Course (full from 1/6/89).

Project Designer (contingent from 5/23/88).

Project Designer (full from 1/11/91).

Project Designer Refresher Course (contingent from 4/24/89).

(15)(a) *Training Provider:* International Association of Heat & Frost Insulators & Asbestos Workers Local Union No. 28.

Address: 360 Acoma St., Suite 216, Denver, CO 80223, Contact: Pat Pfeifer, Phone: (303) 778-8602.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/28/89).

Abatement Worker (full from 4/28/89).

Abatement Worker Refresher Course (full from 7/21/89).

(16)(a) *Training Provider:* Laborers AGC Training Program for Montana.

Address: 3100 Horseshoe Bend Rd., Helena, MT 59601, Contact: Daniel F. Holland, Phone: (406) 442-9964.

(b) *Approved Course:*

Abatement Worker (contingent from 9/19/88).

(17)(a) *Training Provider:* Major Safety Instructional Services.

Address: 12729 West Belmont Ave., Littleton, CO 80127, Contact: Carrie Sare, Phone: (303) 978-0325.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/28/88).

Abatement Worker (full from 9/15/88).

Abatement Worker Refresher Course (contingent from 1/18/89).

Abatement Worker Refresher Course (full from 6/17/91).

Contractor/Supervisor (contingent from 4/14/88).

Contractor/Supervisor (full from 9/5/88).

Contractor/Supervisor Refresher Course (contingent from 1/18/89).

Contractor/Supervisor Refresher Course (full from 6/18/91).

Inspector/Management Planner (contingent from 1/2/88).

Inspector/Management Planner (full from 3/27/89).

Inspector/Management Planner  
Refresher Course (contingent from 1/18/89).

Inspector/Management Planner  
Refresher Course (full from 1/12/90).

Project Designer (contingent from 1/28/88).

Project Designer Refresher Course (contingent from 1/18/89).

(18)(a) *Training Provider:* Midwest Asbestos Consultants, Inc. (MAC).

Address: 219 23rd St. North, Box 1708, Fargo, ND 58107, Contact: Jerry Day, Phone: (701) 280-2288.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/11/88).

Abatement Worker (full from 5/23/89).

Abatement Worker Refresher Course (contingent from 7/31/89).

Abatement Worker Refresher Course (full from 8/24/89).

(19)(a) *Training Provider:* Misers Inspection & Training, Inc.

Address: 2401 S Raritan St., Englewood, CO 80110, Contact: Michael E. DiRito, Phone: (303) 761-0367.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/17/88).

Abatement Worker (full from 7/5/88).

Abatement Worker Refresher Course (contingent from 11/14/88).

Abatement Worker Refresher Course (full from 1/27/89).

Contractor/Supervisor (contingent from 6/17/88).

Contractor/Supervisor (full from 7/5/88).

Contractor/Supervisor Refresher Course (contingent from 11/14/88).

Contractor/Supervisor Refresher Course (full from 1/27/89).

(20)(a) *Training Provider:* NATEC International, Inc.

Address: 2761 West Oxford Ave., No. 7, Englewood, CO 80110, Contact: Lester Ablin, Phone: (303) 781-0422.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/15/88 to 6/1/90 only).

Inspector/Management Planner (contingent from 6/2/89 to 6/1/90 only).

(21)(a) *Training Provider:* National Education Program for Asbestos (NEPA).

Address: 2863 West 8750 S., West Jordan, UT 84088, Contact: Mark A. Kirk, Phone: (801) 565-1400.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/6/89).

Abatement Worker (full from 6/22/89).

Abatement Worker Refresher Course (contingent from 5/22/89).

Abatement Worker Refresher Course (full from 4/27/91).

Contractor/Supervisor (contingent from 5/22/89).

Contractor/Supervisor (full from 6/22/89).

Contractor/Supervisor Refresher Course (full from 7/3/90).

(22)(a) *Training Provider:* Power Master, Inc.

Address: 13205 Minuteman Drive, Draper, UT 84020, Contact: Brian Welty, Phone: (801) 571-9321.

(b) *Approved Course:*

Abatement Worker (contingent from 6/13/88 to 6/22/90 only).

(23)(a) *Training Provider:* Precision Safety & Services, Inc.

Address: 1045 W. Garden of Gods Rd., Unit T, Colorado Springs, CO 80907, Contact: James R. Mapes, Jr., Phone: (719) 593-8596.

(b) *Approved Courses:*

Abatement Worker (contingent from 8/11/88).

Abatement Worker (full from 11/2/88).

(24)(a) *Training Provider:* R.S. Christiansen Asbestos Consultant.

Address: 4980 Holladay Blvd., Salt Lake City, UT 84117, Contact: R. S. Christiansen, Phone: (801) 277-2323.

(b) *Approved Courses:*

Abatement Worker (contingent from 7/29/88).

Abatement Worker (full from 12/7/88).

(25)(a) *Training Provider:* Survey Management & Design (SMD).

Address: 2506 35th Ave. SW, Fargo, ND 58104, Contact: Peter Mehl, Phone: (701) 234-9556.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/2/89).

Contractor/Supervisor (contingent from 3/2/89).

Contractor/Supervisor (full from 5/2/89).



Inspector/Management Planner  
(contingent from 9/14/89).

Inspector/Management Planner (full  
from 10/15/89).

(26)(a) *Training Provider:* The  
Environmental Training Center.

Address: 2761 W. Oxford Ave., No. 7,  
Englewood, CO 80110, Contact: Les  
Ablin, Phone: (303) 781-0422.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/  
21/89).

Abatement Worker (full from 4/27/90).  
Contractor/Supervisor (contingent from  
9/21/89).

Contractor/Supervisor (full from 4/27/  
90).

(27)(a) *Training Provider:* University  
of Utah, Rocky Mountain Center for  
Occupational & Environmental Health.

Address: Dept. of Family & Preventive  
Medicine, Building 512, Salt Lake City,  
UT 84112, Contact: Jeffery S. Lee,  
Phone: (801) 581-5710.

(b) *Approved Courses:*

Abatement Worker (contingent from 9/  
27/88).

Abatement Worker (full from 9/27/88).  
Contractor/Supervisor (contingent from  
6/1/87).

Contractor/Supervisor (full from 6/1/  
87).

Contractor/Supervisor Refresher Course  
(contingent from 6/7/88).

Contractor/Supervisor Refresher Course  
(full from 11/13/88).

Inspector/Management Planner  
(contingent from 12/23/87).

Inspector/Management Planner (full  
from 2/8/88).

Inspector/Management Planner  
Refresher Course (contingent from 12/  
9/88).

Inspector/Management Planner  
Refresher Course (full from 12/14/88).

#### REGION IX -- San Francisco, CA

*Regional Asbestos Coordinator:* Jo  
Ann Semones, (A-4-4), EPA, Region IX,  
75 Hawthorne St., San Francisco, CA  
94105. (415) 744-1112, (FTS) 484-1128.

*List of Asbestos Courses:* The  
following training courses have been  
approved by EPA. The courses are listed  
under (b). This approval is subject to the  
level of certification indicated after the  
course name. Training Providers are  
listed in alphabetical order and do not  
reflect a prioritization. Approvals for  
Region IX training courses and contact  
points for each, are as follows:

(1)(a) *Training Provider:* Ahearn &  
Associates, Inc.

Address: 4015 N. 44th St., Phoenix, AZ  
85018, Contact: Colleen McCarthy,  
Phone: (602) 840-9446.

(b) *Approved Courses:*

Abatement Worker Refresher Course  
(contingent from 10/18/89).

Contractor/Supervisor (contingent from  
10/18/89).

Contractor/Supervisor Refresher Course  
(contingent from 10/18/89).

Inspector/Management Planner  
(contingent from 10/18/89).

Inspector/Management Planner  
Refresher Course (contingent from 10/  
18/89).

(2)(a) *Training Provider:* Arizona  
Carpenters Joint Apprenticeship &  
Training Committee.

Address: 2625 W. Holly, Phoenix, AZ  
85009, Contact: Jerry Bellovary, Phone:  
(602) 272-6547.

(b) *Approved Course:*

Contractor/Supervisor (contingent from  
10/18/89).

(3)(a) *Training Provider:* Arizona  
Laborers' Joint Training Center.

Address: P.O. Box 565, Chino Valley, AZ  
86323, Contact: Bill Hadley, Phone:  
(602) 636-2532.

(b) *Approved Course:*

Abatement Worker (contingent from 10/  
18/89).

(4)(a) *Training Provider:* Asbestos  
Training Institute.

Address: 210 S. La Fayette Park Pl.,  
Suite 205, Los Angeles, CA 90057,  
Contact: Kayode Akinrele, Phone:  
(213) 252-0166.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/  
18/89).

Contractor/Supervisor (contingent from  
10/18/89).

(5)(a) *Training Provider:* California  
State University - Sacramento; Regional  
& Continuing Education.

Address: 650 University Ave., Suite  
101A, Sacramento, CA 95825, Contact:  
Jackie Branch, Phone: (916) 923-0282.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/  
18/89).

Abatement Worker Refresher Course  
(contingent from 12/7/89).

Contractor/Supervisor (contingent from  
10/18/89).

Contractor/Supervisor Refresher Course  
(contingent from 12/7/89).

(6)(a) *Training Provider:* Carpenters  
46 Northern California Counties J.A.T.C.

Address: 2350 Santa Rita Rd.,  
Pleasanton, CA 94566-4190, Contact:  
Hugh Johnson, Phone: (415) 462-9640.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/  
31/89).

Abatement Worker Refresher Course  
(contingent from 12/7/89).

Contractor/Supervisor (contingent from  
12/1/88).

Contractor/Supervisor Refresher Course  
(contingent from 12/7/89).

(7)(a) *Training Provider:* Center for  
Accelerated Learning (CAL Inc.).

Address: P.O. Box 6327, Vacaville, CA  
95696-6327, Contact: David Esparza,  
Phone: (707) 446-7996.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/  
1/88).

Abatement Worker Refresher Course  
(contingent from 12/15/88).

Contractor/Supervisor (contingent from  
6/1/88).

Contractor/Supervisor Refresher Course  
(contingent from 12/15/88).

Inspector/Management Planner  
(contingent from 6/30/88).

Inspector/Management Planner  
Refresher Course (contingent from 12/  
7/89).

Project Designer (contingent from 10/18/  
89).

Project Designer Refresher Course  
(contingent from 10/18/89).

(8)(a) *Training Provider:* DWC  
Consulting Co., Inc.

Address: 1250 Pine St., Suite 307, Walnut  
Creek, CA 94596, Contact: Dan  
Weathers, Phone: (415) 933-9066.

(b) *Approved Courses:*

Abatement Worker (contingent from 4/  
3/89).

Abatement Worker (full from 5/2/91).

Abatement Worker Refresher Course  
(contingent from 10/18/89).

Contractor/Supervisor (contingent from  
4/3/89).

Contractor/Supervisor (full from 5/3/  
91).

Contractor/Supervisor Refresher Course  
(contingent from 10/18/89).

Inspector/Management Planner  
(contingent from 4/3/89).

Inspector/Management Planner  
Refresher Course (contingent from 10/  
18/89).

(9)(a) *Training Provider:* Dan Napier &  
Associates.

Address: 15342 Hawthorne Blvd., Suite  
207, P.O. Box 1540, Lawndale, CA  
90260-6440, Contact: Dan Napier,  
Phone: (213) 644-1924.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/  
18/88).

Abatement Worker Refresher Course  
(contingent from 1/18/89).

Contractor/Supervisor (contingent from  
3/27/89).

Contractor/Supervisor Refresher Course  
(contingent from 1/18/89).

Inspector/Management Planner  
(contingent from 4/3/89).

Inspector/Management Planner  
Refresher Course (contingent from 3/  
30/89).

Project Designer Refresher Course  
(contingent from 3/30/89).

(10)(a) *Training Provider:* Design for  
Health.

Address: 1516 W. Redwood St., Suite  
104, San Diego, CA 92101, Contact:  
Virginia Shefa, Phone: (619) 291-1777.

(b) *Approved Courses:*

Abatement Worker (contingent from 11/  
30/89).

Abatement Worker (full from 1/10/91).

Abatement Worker Refresher Course  
(contingent from 12/6/89).

Contractor/Supervisor (contingent from  
10/18/89).

Contractor/Supervisor (full from 1/11/  
91).

Contractor/Supervisor Refresher Course  
(contingent from 12/6/89).

Inspector/Management Planner  
(contingent from 11/30/89).

(11)(a) *Training Provider:* Education  
Environmental Services (Formerly Eagle  
Environmental).

Address: 8817 Elk Grove Blvd., Elk  
Grove, CA 95624, Contact: George  
Ayule, Phone: (916) 686-3655.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/  
18/89).

Abatement Worker Refresher Course  
(contingent from 10/18/89).

Contractor/Supervisor (contingent from  
10/18/89).

Contractor/Supervisor Refresher Course  
(contingent from 10/18/89).

Inspector/Management Planner  
(contingent from 10/18/89).

Inspector/Management Planner  
Refresher Course (contingent from 10/  
18/89).

Project Designer (contingent from 10/18/  
89).

Project Designer Refresher Course  
(contingent from 10/18/89).

(12)(a) *Training Provider:* EnviroMD,  
Inc.

Address: 3443 East Fort Lowell Rd.,  
Tucson, AZ 85716, Contact: Lee Allen,  
Phone: (800) 822-5800.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/  
15/89).

Abatement Worker (full from 2/27/91).

Abatement Worker Refresher Course  
(contingent from 4/12/91).

Contractor/Supervisor (contingent from  
1/17/89).

Contractor/Supervisor (full from 2/28/  
91).

Contractor/Supervisor Refresher Course  
(contingent from 10/18/89).

Inspector/Management Planner  
(contingent from 11/14/88).

Inspector/Management Planner  
Refresher Course (contingent from 10/  
18/89).

(13)(a) *Training Provider:*

Environmental Control Industries.

Address: 2700 Teagarden St., San  
Leandro, CA 94577, Contact: Robert  
Seese, Phone: (415) 614-0180.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/  
1/88).

Abatement Worker Refresher Course  
(contingent from 10/18/89).

Contractor/Supervisor (contingent from  
10/31/89).

Contractor/Supervisor Refresher Course  
(contingent from 10/18/89).

(14)(a) *Training Provider:*

Environmental Sciences, Inc.

Address: 105 E. Speedway, Tucson, AZ  
85705, Contact: Paula Keyes, Phone:  
(602) 792-0097.

(b) *Approved Courses:*

Inspector/Management Planner  
(contingent from 9/29/87).

Inspector/Management Planner (full  
from 10/5/87).

Inspector/Management Planner  
Refresher Course (contingent from 11/  
14/88).

(15)(a) *Training Provider:*

Environmental Service & Technology,  
Inc.

Address: 3445 32nd St., San Diego, CA  
92104, Contact: Mary Lacey or David  
Miller, Phone: (800) 633-0373.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/  
18/89).

Abatement Worker Refresher Course  
(contingent from 12/6/89).

Contractor/Supervisor (contingent from  
10/18/89).

Contractor/Supervisor Refresher Course  
(contingent from 12/6/89).

Inspector/Management Planner  
(contingent from 10/18/89).

Inspector/Management Planner  
Refresher Course (contingent from 10/  
18/89).

(16)(a) *Training Provider:* Excel  
Environmental, Inc.

Address: 739 Allston Way, Berkeley, CA  
94710, Contact: Mark Sanchez, Phone:  
(415) 548-4300.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/  
28/87).

Abatement Worker Refresher Course  
(contingent from 12/1/88).

Contractor/Supervisor (contingent from  
6/1/88).

Contractor/Supervisor Refresher Course  
(contingent from 12/1/88).

(17)(a) *Training Provider:* Hawaii  
Laborers Training Program.

Address: P.O. Box 457, Aiea, HI 96701,  
Contact: Norman Jimeno, Phone: (808)  
488-6161.

(b) *Approved Courses:*

Abatement Worker (contingent from 5/  
27/88).

Abatement Worker (full from 2/28/91).

Abatement Worker Refresher Course  
(contingent from 10/18/89).

(18)(a) *Training Provider:* Herring &  
Herring Enterprises.

Address: No. 9 Crits Court, Sacramento,  
CA 95823, Contact: Leslie Herring,  
Phone: (916) 421-6260.

(b) *Approved Courses:*

Abatement Worker (contingent from 1/  
2/90).

Abatement Worker Refresher Course  
(contingent from 10/18/89).

Contractor/Supervisor (contingent from  
1/2/90).

Contractor/Supervisor Refresher Course  
(contingent from 10/18/89).

(19)(a) *Training Provider:* Hess & Hess  
Construction, Inc.

Address: 3819 Duck Creek Dr., Stockton,  
CA 95215, Contact: Lee Hess, Phone:  
(209) 942-1818.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/  
31/89).

Abatement Worker Refresher Course  
(contingent from 10/31/89).

Contractor/Supervisor (contingent from  
10/31/88).

Contractor/Supervisor Refresher Course  
(contingent from 10/31/89).

Inspector (contingent from 3/21/89).

Inspector Refresher Course (contingent  
from 10/31/89).

(20)(a) *Training Provider:* INFOTOX.

Address: 8531 Mission Blvd, Suite 24,  
Riverside, CA 92509, Contact: Jim  
Macclam, Phone: (714) 685-5053.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/  
18/89).

Abatement Worker Refresher Course  
(contingent from 10/18/89).

Contractor/Supervisor (contingent from  
10/18/89).

Contractor/Supervisor Refresher Course  
(contingent from 10/18/89).

(21)(a) *Training Provider:* IT  
Corporation.

Address: 17605 Fabrica Way, Cerritos,  
CA 90701, Contact: Phil Mitchell,  
Phone: (213) 921-9831.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/  
24/87).

Abatement Worker Refresher Course  
(contingent from 3/29/89).

Contractor/Supervisor (contingent from 4/15/88).  
 Contractor/Supervisor Refresher Course (contingent from 3/29/89).

(22)(a) *Training Provider:* Insulators & Asbestos Industry of Northern California & Local Union No. 16 Apprentice Training Fund.

Address: 2033 Clement Ave., Building 31, Room 112, Alameda, CA 94501, Contact: Hans D. Siebert, Phone: (415) 865-2292.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/1/88).

Contractor/Supervisor (contingent from 10/31/89).

(23)(a) *Training Provider:* Joint Apprenticeship Trust Asbestos Workers Local 5.

Address: 520 So. La Fayette Park Pl., Suite 300, Los Angeles, CA 90057, Contact: Tom L. Gutierrez, Phone: (213) 383-8010.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/1/88).

Abatement Worker Refresher Course (contingent from 10/18/89).

Contractor/Supervisor (contingent from 1/26/89).

Contractor/Supervisor Refresher Course (contingent from 10/18/89).

(24)(a) *Training Provider:* KELLCO Training Institute.

Address: 44802 Osgood Rd., Fremont, CA 94539, Contact: Charles W. Kellogg, Phone: (415) 651-7401.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/1/88).

Abatement Worker (full from 2/14/91).

Abatement Worker Refresher Course (contingent from 10/19/88).

Contractor/Supervisor (contingent from 7/20/88).

Contractor/Supervisor (full from 2/15/91).

Contractor/Supervisor Refresher Course (contingent from 10/31/88).

Contractor/Supervisor Refresher Course (full from 3/19/91).

Inspector/Management Planner (contingent from 3/21/89).

Inspector/Management Planner Refresher Course (contingent from 3/16/89).

(25)(a) *Training Provider:* Laborers Training & Retraining Trust Fund for Northern California.

Address: 21321 San Ramon Valley Blvd., San Ramon, CA 94583, Contact: Monte R. Strother, Phone: (415) 828-2513.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/13/88).

Abatement Worker Refresher Course (contingent from 12/15/88).

(26)(a) *Training Provider:* Laborers Training & Retraining Trust Fund for Southern California.

Address: P.O. Box 391667, Anza, CA 92539, Contact: Don Sanders, Phone: (714) 763-4341.

(b) *Approved Courses:*

Abatement Worker (contingent from 6/30/88).

Abatement Worker Refresher Course (contingent from 12/6/89).

(27)(a) *Training Provider:* Lehr Training Institute, Inc.

Address: 4125 East La Palma Ave., Suite 300, Anaheim, CA 92807, Contact: Gary Rodrigues, Phone: (714) 572-0110.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/16/88).

Abatement Worker Refresher Course (contingent from 2/21/89).

Contractor/Supervisor (contingent from 2/16/88).

Contractor/Supervisor Refresher Course (contingent from 2/21/89).

Inspector/Management Planner (contingent from 10/31/88).

Inspector/Management Planner Refresher Course (contingent from 2/21/89).

(28)(a) *Training Provider:* Los Angeles District Council of Carpenters and Vicinity.

Address: 4665 Mercury St., San Diego, CA 92111, Contact: Otis Kunz, Phone: (619) 495-1850.

(b) *Approved Courses:*

Abatement Worker (contingent from 3/30/89).

Contractor/Supervisor (contingent from 10/31/88).

(29)(a) *Training Provider:* National Asbestos Technology Education Center (NATEC).

Address: 11552 Knott St., Suite 8, Garden Grove, CA 92641, Contact: Rodger D. Sandlin, Phone: (714) 894-7577.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/30/87).

Abatement Worker Refresher Course (contingent from 11/8/88).

Contractor/Supervisor (contingent from 12/30/87).

Contractor/Supervisor Refresher Course (contingent from 11/8/88).

(30)(a) *Training Provider:* National Institute for Asbestos & Hazardous Waste Training.

Address: 1019 West Manchester Blvd., Suite 102, Inglewood, CA 90301, Contact: Jim McFarland, Phone: (213) 645-4516.

(b) *Approved Courses:*

Abatement Worker (full from 12/24/87).

Abatement Worker Refresher Course (contingent from 10/19/88).

Contractor/Supervisor (full from 12/24/87).

Contractor/Supervisor Refresher Course (contingent from 10/19/88).

Inspector/Management Planner (contingent from 6/30/88).

Inspector/Management Planner Refresher Course (contingent from 11/4/88).

(31)(a) *Training Provider:* Naval Civil Engineering Laboratory.

Address: Code LO5, Port Hueneme, CA 93043-5003, Contact: Susan C. Tianen, Phone: (805) 982-1136.

(b) *Approved Courses:*

Abatement Worker (contingent from 10/31/89).

Abatement Worker Refresher Course (contingent from 10/18/89).

Contractor/Supervisor (contingent from 10/31/89).

Contractor/Supervisor Refresher Course (contingent from 10/18/89).

Inspector (contingent from 4/6/89).

(32)(a) *Training Provider:* Occupational Training Institute, Inc.

Address: 5 Civic Plaza, Suite 225, Newport Beach, CA 92660, Contact: Charles Godshall, Phone: (714) 721-9578.

(b) *Approved Courses:*

Abatement Worker (contingent from 2/21/89).

Abatement Worker Refresher Course (contingent from 2/21/89).

Contractor/Supervisor (contingent from 2/21/89).

Contractor/Supervisor Refresher Course (contingent from 2/21/89).

Inspector/Management Planner (contingent from 3/16/89).

Inspector/Management Planner Refresher Course (contingent from 2/21/89).

(33)(a) *Training Provider:* Painters District Council No. 36.

Address: 3601 W. Alameda Ave., Suite 200, Burbank, CA 91505, Contact: William Sauerwald, Phone: (818) 841-1366.

(b) *Approved Course:*

Abatement Worker (contingent from 10/15/89).

(34)(a) *Training Provider:* Robert Harvey Griese.

Address: 23214 Via Ladera, Valencia, CA 91355, Contact: Robert H. Griese, Phone: (213) 720-1805.

(b) *Approved Courses:*

Abatement Worker (contingent from 12/6/89).  
 Contractor/Supervisor (contingent from 12/6/89).  
 Inspector/Management Planner (contingent from 12/6/89).

(35)(a) *Training Provider:* Salem Kroeger, Inc.  
 Address: 1325 Schwab St., Red Bluff, CA 96080, Contact: Brian Frink, Phone: (916) 527-7312.

(b) *Approved Courses:*  
 Abatement Worker (contingent from 3/30/89).  
 Abatement Worker Refresher Course (contingent from 4/3/89).  
 Contractor/Supervisor (contingent from 3/30/89).  
 Contractor/Supervisor Refresher Course (contingent from 4/3/89).  
 Inspector Refresher Course (contingent from 4/3/89).

(36)(a) *Training Provider:* San Diego County Construction Laborers Training & Retraining Trust.  
 Address: 4161 Home Ave., Second Fl., San Diego, CA 92105, Contact: Bob White, Phone: (619) 277-9782.

(b) *Approved Courses:*  
 Abatement Worker (contingent from 3/21/89).  
 Abatement Worker Refresher Course (contingent from 10/18/89).

(37)(a) *Training Provider:* Spectrum Environmental Training.  
 Address: 6245 Bristol Pkwy., Suite 305, Culver City, CA 90230, Contact: James H. Mondy, Phone: (213) 322-2332.

(b) *Approved Courses:*  
 Abatement Worker (contingent from 12/6/89).  
 Contractor/Supervisor (contingent from 12/6/89).

(38)(a) *Training Provider:* The Asbestos Institute.  
 Address: 8102 N 23rd Ave., Suite A, Phoenix, AZ 85021, Contact: William T. Cavness, Phone: (602) 864-6564.

(b) *Approved Courses:*  
 Abatement Worker (contingent from 6/30/88).  
 Abatement Worker (full from 6/26/91).  
 Abatement Worker Refresher Course (contingent from 10/31/88).  
 Contractor/Supervisor (contingent from 6/13/88).  
 Contractor/Supervisor (full from 6/27/91).  
 Contractor/Supervisor Refresher Course (contingent from 3/9/89).  
 Inspector/Management Planner (contingent from 6/17/88).  
 Inspector/Management Planner Refresher Course (contingent from 6/16/88).

(39)(a) *Training Provider:* The Environmental Institute.  
 Address: 50 East Foothill Blvd., Arcadia, CA 91006, Contact: Bruce Tingley, Phone: (818) 447-5216.

(b) *Approved Courses:*  
 Abatement Worker (contingent from 10/27/88).  
 Contractor/Supervisor (contingent from 6/27/88).  
 Inspector/Management Planner (contingent from 6/27/88).  
 Inspector/Management Planner Refresher Course (contingent from 4/18/89).  
 Project Designer (contingent from 12/1/88).  
 Project Designer Refresher Course (contingent from 10/18/89).

(40)(a) *Training Provider:* Univ. of Calif. Extension Programs in Environmental Hazard Management (PEHM) (Formerly Pacific Asbestos Info. Ctr.).  
 Address: 2223 Fulton St., Berkeley, CA 94720, Contact: Tom Wangerin, Phone: (415) 643-7143.

(b) *Approved Courses:*  
 Contractor/Supervisor (full from 10/1/87).  
 Contractor/Supervisor Refresher Course (contingent from 10/19/88).  
 Inspector/Management Planner (full from 11/16/87).  
 Inspector/Management Planner Refresher Course (contingent from 10/19/88).  
 Project Designer (contingent from 10/31/89).

(41)(a) *Training Provider:* University Associates.  
 Address: 3791 N. Camino de Oeste, Tucson, AZ 85745, Contact: John D. Repko, Phone: (602) 624-9366.

(b) *Approved Course:*  
 Inspector/Management Planner (contingent from 12/1/88).  
 (42)(a) *Training Provider:* University of Southern California Institute of Safety & Systems Management.  
 Address: 927 W. 35th Pl., Room 102, Los Angeles, CA 90089-0021, Contact: James O. Pierce, Phone: (213) 740-3998.

(b) *Approved Courses:*  
 Inspector/Management Planner (contingent from 7/27/88).  
 Inspector/Management Planner (full from 2/2/89).  
 Inspector/Management Planner Refresher Course (contingent from 2/23/89).

#### REGION X -- Seattle, WA

*Regional Asbestos Coordinator:* Matt Wilkening, EPA, Region X, 1200 Sixth Ave. (8T-083), Seattle, WA 98101. (206) 442-8282 (FTS) 399-8282

*List of Approved Courses:* The following training courses have been approved by EPA. The courses are listed under (b). This approval is subject to the level of certification indicated after the course name. Training Providers are listed in alphabetical order and do not reflect a prioritization. Approvals for Region X training courses and contact points for each, are as follows:

(1)(a) *Training Provider:* Arctic Slope Consulting Group.

Address: 3801 South Cushman, Fairbanks, AK 99701-7529, Contact: Robert A. Perkins or Clark Milne, Phone: (907) 451-6009.

(b) *Approved Courses:*  
 Inspector/Management Planner (contingent from 10/18/89).  
 Inspector/Management Planner (full from 10/5/90).  
 Inspector/Management Planner Refresher Course (contingent from 10/25/89).

(2)(a) *Training Provider:* Asbestos Removal Technologies.  
 Address: P.O. Box 4762, Vancouver, WA 98662, Contact: Skip Gaultier, Phone: (800) 321-4121.

(b) *Approved Courses:*  
 Inspector/Management Planner Refresher Course (contingent from 10/25/89).  
 Inspector/Management Planner Refresher Course (full from 12/26/89).  
 Project Designer Refresher Course (contingent from 10/25/89).  
 Project Designer Refresher Course (full from 12/26/89).

(3)(a) *Training Provider:* Asbestos Services International, Inc.  
 Address: 12360 Southwest Butner Rd., Portland, OR 97225-5818, Contact: Jim Jones, Phone: (503) 644-0246.

(b) *Approved Courses:*  
 Inspector/Management Planner (contingent from 8/23/88).  
 Inspector/Management Planner (full from 7/17/89).  
 Inspector/Management Planner Refresher Course (contingent from 10/31/88).  
 Inspector/Management Planner Refresher Course (full from 1/20/89).  
 Project Designer (contingent from 10/31/88).  
 Project Designer (full from 1/17/89).

(4)(a) *Training Provider:* Certified Industrial Hygiene Services, Inc.  
 Address: 911 Western Ave., Suite 206, Seattle, WA 98104, Contact: Dorothy Stansel, Phone: (206) 622-1096.

(b) *Approved Course:*  
 Inspector (contingent from 3/25/88).

(5)(a) *Training Provider:* Engineering Continuing Education University of Washington.

Address: GC-13, Seattle, WA 98195, Contact: Susan G. Stone, Phone: (206) 543-5539.

(b) *Approved Courses:*

Inspector/Management Planner (contingent from 1/26/88 to 6/1/90 only).

Inspector/Management Planner (full from 2/8/88 to 6/1/90 only).

(6)(a) *Training Provider:*

Environmental Health Sciences Lake Washington Vo-Tech.

Address: 11605 132nd Ave., NE., Kirkland, WA 98034, Contact: Dave Rodewald, Phone: (206) 828-5643.

(b) *Approved Courses:*

Inspector/Management Planner (full from 4/11/88).

Inspector/Management Planner Refresher Course (contingent from 1/14/89).

Inspector/Management Planner Refresher Course (full from 1/27/89).  
Project Designer (contingent from 12/11/89).

(7)(a) *Training Provider:*

Environmental Management, Inc.

Address: P.O. Box 91477, Anchorage, AK 99509, Contact: Debra Chrisman or Gordon Randall, Phone: (907) 272-8056.

(b) *Approved Course:*

Inspector/Management Planner (full from 4/18/88).

(8)(a) *Training Provider:* Hazcon, Inc.

Address: 4636 Marquiae Way S., Suite 215, Seattle, WA 98134, Contact: Mike Krause, Phone: (206) 763-7364.

(b) *Approved Courses:*

Inspector/Management Planner (contingent from 3/1/88).

Inspector/Management Planner (full from 4/4/88).

Inspector/Management Planner Refresher Course (contingent from 1/18/89).

Inspector/Management Planner Refresher Course (full from 1/30/89).

(9)(a) *Training Provider:* Heavey Engineers, Inc.

Address: 113 Russell St., P.O. Box 832, Stevenson, WA 98648-0832, Contact: Bernard Heavey, Phone: (509) 427-8936.

(b) *Approved Courses:*

Inspector/Management Planner (contingent from 4/13/88).

Inspector/Management Planner (full from 5/2/88).

Inspector/Management Planner Refresher Course (contingent from 1/18/89).

Inspector/Management Planner Refresher Course (full from 3/10/89).

(10)(a) *Training Provider:* NAC Corporation/Northwest Asbestos Consultants.

Address: 1005 Northwest Galveston, Suite E, Bend, OR 97701, Contact: Dale Schmidt, Phone: (503) 389-9727.

(b) *Approved Courses:*

Inspector/Management Planner Refresher Course (contingent from 4/25/89).

Inspector/Management Planner Refresher Course (full from 7/24/89).

(11)(a) *Training Provider:* Northwet Envirocon, Inc.

Address: P.O. Box 169, Washougal, WA 98671, Contact: Debbie Stevison, Phone: (503) 659-8899.

(b) *Approved Courses:*

Inspector/Management Planner (contingent from 4/13/88).

Inspector/Management Planner (full from 5/2/88).

(12)(a) *Training Provider:* PBS Environmental Building Consultants, Inc.

Address: 1220 South West Morrison, Portland, OR 97205, Contact: Kelly Strother, Phone: (503) 248-1939.

(b) *Approved Courses:*

Inspector/Management Planner (contingent from 2/4/88).

Inspector/Management Planner (full from 3/14/88).

Inspector/Management Planner Refresher Course (contingent from 3/14/89).

Inspector/Management Planner Refresher Course (full from 6/30/89).

Project Designer (contingent from 6/9/89).

Project Designer (full from 6/19/89).

Project Designer Refresher Course (contingent from 10/25/89).

Project Designer Refresher Course (full from 9/18/90).

(13)(a) *Training Provider:* South East Regional Resource Center, Inc.

Address: 210 Ferry Way, Suite 200, Juneau, AK 99801, Contact: William Suss, Phone: (907) 586-6806.

(b) *Approved Courses:*

Inspector/Management Planner Refresher Course (contingent from 4/18/89).

Inspector/Management Planner Refresher Course (full from 6/1/90).

(14)(a) *Training Provider:* Specialized Environmental Consulting, Inc.

Address: P.O. Box 363, Wauna, WA 98395, Contact: Raymond Donahue, Phone: (206) 857-3222.

(b) *Approved Courses:*

Inspector/Management Planner Refresher Course (contingent from 3/7/89).

Inspector/Management Planner Refresher Course (full from 3/20/89).

(15)(a) *Training Provider:* University of Alaska, Mining & Petroleum Training Services.

Address: 155 Smith Way, Suite 104, Soldotna, AK 99669, Contact: Dennis D. Steffy, Phone: (907) 262-2788.

(b) *Approved Courses:*

Inspector/Management Planner (contingent from 2/16/88).

Inspector/Management Planner (full from 4/11/88).

Inspector/Management Planner Refresher Course (contingent from 1/14/89).

Inspector/Management Planner Refresher Course (full from 4/2/91).

(16)(a) *Training Provider:* Valley Research Corporation.

Address: 1299 E. 2400 St., Hagerman, ID 83332, Contact: Leon Urie, Phone: (208) 837-6437.

(b) *Approved Courses:*

Contractor/Supervisor (contingent from 10/20/89).

Contractor/Supervisor (full from 6/8/90).

(17)(a) *Training Provider:* Washington Association of Maintenance & Operations Administrators, WAMOA.

Address: 12037 Northeast Fifth, Bellevue, WA 98005, Contact: Colin MacRae, Phone: (206) 455-6054.

(b) *Approved Courses:*

Inspector/Management Planner Refresher Course (contingent from 4/25/89).

Inspector/Management Planner Refresher Course (full from 7/24/89).

Dated: August 15, 1991.

Mark A. Greenwood,

Director, Office of Toxic Substances.

[FR Doc. 91-20511 Filed 8-29-91; 8:45 am]

BILLING CODE 6560-50-F

**Food Stamp Program**

---

**Friday  
August 30, 1991**

---

**Part III**

**Department of  
Agriculture**

---

**Food and Nutrition Service**

---

**7 CFR Parts 271 and 273**

**Food Stamp Program: Establishment of  
Outcome-Based Performance Standards  
for the Employment and Training  
Program; Proposed Rule**

**DEPARTMENT OF AGRICULTURE****Food and Nutrition Service****7 CFR Parts 271 and 273****[Amendment No. 341]****Food Stamp Program; Establishment of Outcome-Based Performance Standards for the Employment and Training Program****AGENCY:** Food and Nutrition Service, USDA.**ACTION:** Proposed rule.

**SUMMARY:** This rule proposes to amend the Food Stamp Program regulations by establishing new performance standards for the Food Stamp Employment and Training (E&T) Program as mandated by the Hunger Prevention Act of 1988 (Pub. L. 100-435). The statute requires the Secretary of Agriculture to establish performance standards to be measured by the employment outcomes of E&T participants and to be based on the degree of success reasonably expected of State agencies in helping E&T participants achieve self-sufficiency. The proposed performance standards would replace the current performance standards that require State agencies to place a minimum percentage of eligible E&T participants into program components. The Department anticipates that the change in performance standards would significantly affect Food Stamp E&T Programs operated by State agencies, as focus shifts beyond participation in E&T to the employment results of program participation. The Department would hold State agencies accountable for implementing the performance measurement system as required by the final rulemaking.

**DATES:** Comments on this proposed rulemaking must be received on or before October 29, 1991, to be assured of consideration.

**ADDRESSES:** Comments should be submitted to Ellen Henigan, Supervisor, Work Program Section, Food Stamp Program, Food and Nutrition Service, USDA, 3101 Park Center Drive, room 718, Alexandria, Virginia 22302. All written comments will be open to public inspection at this same address during regular business hours (8:30 a.m. to 5 p.m., Monday through Friday).

**FOR FURTHER INFORMATION CONTACT:** Questions regarding this proposed rulemaking should be directed to Ellen Henigan at the above address or by telephone at (703) 756-3762.

**SUPPLEMENTARY INFORMATION:  
Classification**

*Executive Order 12291 and Secretary's Memorandum 1512-1*

This action has been reviewed under Executive Order 12291 and Secretary's Memorandum No. 1512-1. The Department has classified this action as designated nonmajor. The annual effect of this action on the economy would be less than \$100 million. This action would not result in major increases in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions. It would not have significant adverse effects on competition, investment, productivity and innovation or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets. This rule would have a beneficial effect on employment in that it would serve to improve the operations of the Food Stamp Employment and Training Program, thereby improving efforts to assist food stamp recipients to obtain and retain employment.

*Executive Order 12372*

The Food Stamp Program is listed in the Catalog of Federal Domestic Assistance under No. 10.551. For the reasons set forth in the final rule and related notice to 7 CFR part 3015, subpart V (48 FR 29115, June 24, 1983), this program is excluded from the scope of Executive Order No. 12372 which requires intergovernmental consultation with State and local officials.

*Regulatory Flexibility Act*

This action has also been reviewed with regard to the requirements of the Regulatory Flexibility Act of 1980 (5 U.S.C. 601 through 612). Betty Jo Nelsen, Administrator of the Food and Nutrition Service, has certified that this rule would not have a significant economic impact on a substantial number of small entities. State and local welfare agencies would be affected to the extent that they must administer their employment and training programs in a manner that meets the minimum performance standard and must collect certain participant data to measure this performance standard.

*Paperwork Reduction Act*

The reporting and recordkeeping requirements contained in 7 CFR 273.7(c) of this regulation come under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. 3507). This rule proposes two models for the implementation of outcome-based performance standards under the Food Stamp E&T Program. Comments

received in response to the proposed rule will determine which model will be selected. Both models would require changes to the current reporting requirements. The title, description, and respondent description of the information collections for each model are shown below with an estimate of the annual reporting and recordkeeping burdens. Included in the estimate is the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

**Model A**

*Title:* Employment and Training (E&T) Program Report.

*Description:* Public Law 100-435 mandates the establishment of performance standards that are outcome-based rather than performance-based. Consequently, this rulemaking proposes the collection and reporting of data not currently collected under the Food Stamp E&T Program while retaining most of the reporting and recordkeeping requirements associated with the current Form FNS-583 (OMB No. 0584-0339). Data would continue to be reported on a quarterly basis. Form FNS-583 would be revised to accommodate the new reporting and recordkeeping requirements.

*Description of Respondents:* State agencies.

*Estimated Annual Reporting and Recordkeeping Burden:* Proposed burden estimates associated with the need for 53 State welfare agencies to submit the proposed information collection on individuals on a quarterly basis is estimated to average 685.655 hours, per respondent, for a total burden of 145,359 hours annually. An additional .025 hours (42,500 annual hours) is estimated to be needed to work register 1,700,000 individuals on an annual basis. These combined information collection activities are estimated to required a total of 187,859 hours annually. The burden estimate for the current information collection (OMB No. 0584-0339) is 231,827 hours annually.

**Model B**

*Title:* Employment and Training (E&T) Program Report.

*Description:* Under Model B, State agencies would be required to submit quarterly reports as well as an annual report. The quarterly reports would include baseline and outcome data for the treatment and control group samples. The annual report would include the results of the State agencies' impact analysis of the outcome data



collected for the treatment and control group samples. Like Model A, this rulemaking proposes the collection and reporting of data not currently collected under the Food Stamp E&T Program while retaining most of the reporting and recordkeeping requirements associated with the current Form FNS-583 (OMB No. 0584-0339). Form FNS-583 would be revised to accommodate the new reporting and recordkeeping requirements—part A would incorporate the quarterly reporting requirements and part B would be used for the annual reporting requirements.

**Estimated Annual Reporting and Recordkeeping Burden:** Proposed burden estimates associated with the need for 53 State welfare agencies to submit the proposed information collection for the quarterly report is estimated to average 1084.828 hours, per respondent, for a total burden of 229,941.14 hours annually. The proposed burden estimates associated with the need for 53 State welfare agencies to submit the proposed information collection for the annual report is estimated to average 2.375 hours, per respondent, for a total burden of 125.916 hours annually. An additional .025 hours (42,500 annual hours) is estimated to be needed to work register 1,700,000 individuals on an annual basis. These combined information collection activities are estimated to require a total of 272,567.05 hours annually. (Note: This burden estimate does not include estimates of time needed for computer programming and operation and the development and execution of the sampling and random assignment methodologies.) The burden estimate for the current information collection (OMB No. 0584-0339) is 231,827 hours annually.

#### Both Models

**Title:** Revision to E&T Plan.

**Description:** State welfare agencies are required pursuant to 7 CFR 272.2 to plan and budget program operations and establish objectives for the next year. The basic components of the State Plan of Operation are the Federal/State Agreement, the Budget Projection Statement, the Program Activity Statement, and certain attachments as specified at 7 CFR 272.2 (c) and (d). One such attachment to the Plan is the E&T plan. The requirement in § 273.7(c)(5)(viii) of this action that a State agency which opts to offer an education component under its E&T program must revise the E&T plan to specify the goals or improvements expected by the education component does not alter or change current burden estimates approved under OMB No. 0584-0083 for the overall State Plan of

Operation. Certain portions of the State Plan of Operation are required to be updated annually, this includes the E&T plan, while others are required to be updated when a significant change occurs. The revision to the E&T plan resulting from this action is not required to be submitted separate from the annual update. Current burden approval for the State Plan of Operation estimates that State agencies will submit State Plan of Operation revisions or updates to various components of the State Plan of Operation at least once annually, regardless of the reason for the revision/update.

**Description of Respondents:** 53 State welfare agencies.

**Estimated Annual Reporting and Recordkeeping Burden:** Current burden estimates associated with the need for 53 State welfare agencies to submit revisions/updates on various components of the State Plan of Operation at least once annually is estimated to average 10 hours, per respondent, for a total burden of 530 hours annually.

As required by section 3504(h) of the Paperwork Reduction Act of 1980, the Department has submitted a copy of this proposed rule to Office of Management and Budget for its review of these information collection requirements. Other organizations and individuals desiring to submit comments regarding this burden estimate or any other aspect of these information collection requirements, including suggestions for reducing the burdens, should direct them to the Department of Agriculture, Food and Nutrition Service, Food Stamp Program, Program Development Division (address above); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, room 3208, New Executive Office Building, Washington, DC 20503, Attn: Laura Oliven, Desk Officer for FNS.

#### Background

##### Overview

This rule proposes to establish new performance standards for the Food Stamp E&T Program as mandated by the Hunger Prevention Act of 1988 (Pub. L. 100-435). The statute requires the implementation of standards based on the employment outcomes of E&T participants no later than October 1, 1991. These proposed standards would replace the current participation-based standards at 7 CFR 273.7.

The Hunger Prevention Act of 1988 provided specific instruction that the performance standards established by the Secretary take into account certain factors. The factors, or measures, by

which the Department must evaluate employment outcomes include job placement rates, wage rates, job retention rates, households ceasing to need food stamp benefits, improvements in household members' educational levels and the extent to which persons elect to participate. The Act also required that State agencies should be encouraged to serve individuals with the greatest barriers to employment.

The Department strove to design a performance measurement system which satisfies the legislative mandate while still being sensitive to the limited amount of funding which goes into the Food Stamp E&T Program and the administrative burden associated with a system which collects sufficient data to respond to the mandate.

As the regulation development proceeded it became increasingly clear that fulfilling the legislative requirements precludes administrative simplicity. The Department is eager to receive specific suggestions from commenters on alternative designs which comport with the Act and can be implemented through a less elaborate system than the two proposed in this rulemaking.

The Department is also open to ideas about ways the Food Stamp Act of 1977 could be amended to allow for a performance system which would require fewer State resources and enable closer conformity with the Department of Health and Human Services' (DHHS) Job Opportunities and Basic Skills (JOBS) Program (42 U.S.C. 3601 *et. seq.*). One such idea is a statutory amendment to delay implementation of the E&T outcome-based performance standard system until DHHS has developed and implemented its outcome-based performance standard system for the JOBS program.

#### Two Models

There are many ways to comply with the directives in the Act and measure outcomes of E&T activities. This rule is unusual in that it proposes two alternative approaches to outcome-based standards. Both conform to the spirit of the Act and are feasible to implement nationwide. Both incorporate methods of encouraging service to persons regarded as hard to employ.

Model A is based largely on the performance standards of the Job Training and Partnership Act (JTPA) Program (29 U.S.C. 1501 *et. seq.*) administered by the Department of Labor (DOL). In the development of Model A the Department was guided by the objective that the performance

standards should define a minimally acceptable level of performance expected of State agencies. This is the basic objective of the DOL in setting the standards for JTPA.

Model A relies on measures of gross outcomes which are measured for individuals as of the time they terminate E&T participation. The model uses regression adjustments to control for factors affecting outcomes which are beyond the control of State E&T managers. It sets a national point of departure for each of four measures, and then provides for State-specific adjustments for economic and demographic factors and for characteristics of the persons served.

By using termination from an activity as a reference point, State flexibility is enhanced and there is no disincentive to place persons in long-term components. This point of measurement provides quick feedback to program operators who would know, within a short period of time, whether or not the activity was successful in producing the employment goal.

Model A gives State agencies a goal to strive for in each measure, which would let program operators know how the measures of their program fare compared to others nationwide. Although this model would let State agencies view their outcomes against a national goal, the net impacts of E&T programs would not be discernable. Future evaluations would have to be undertaken by the Department or others to determine the net impact of the E&T intervention.

Model B measures the impact of the program using randomly assigned treatment and control groups within each State. With this model State program managers would be able to ascertain whether or not participants are closer to self-sufficiency for having taken part in the Food Stamp E&T Program within the State. Because samples would be representative at the State level, applicability of the measures at the local level would be limited.

Use of a randomly assigned control group in each State permits estimation of unbiased measures of the effect the State agency's program had on the outcomes of participants, compared to what would have occurred in the absence of the program, i.e., the net impact of the E&T intervention.

Data for the control and treatment groups would be collected for essentially the same outcome measures used in Model A. These measures will be described in detail later in this preamble. The Department proposes to collect these data in the month of

assignment to the sample and six months later.

Treatment and control groups within States, if randomly assigned, eliminate the need to adjust for interstate economic and demographic differences, as well as for differences in the characteristics of the E&T population.

The Department is proposing that a statistically significant finding of no effect or a positive effect (i.e., a higher result for the treatment group than for the control group) would be the standard for each measure for the first two years of this system. A statistically significant finding of a negative effect (i.e., a higher result for the control group than for the treatment group) would be an indicator of poor program performance.

This preamble will first discuss the evolution of the proposed models and their commonalities, and follow with overviews of each model and detailed descriptions of various aspects of outcome-based performance standard systems, including how these aspects would be dealt with by Models A and B. The proposed regulation language is separated into two different versions, one for each model.

The public is encouraged to judge both models on their merits, and provide comments on each, and which is the preferred model. The Department is eager to ascertain the public's perception of the overall value of each model as an evaluation mechanism, the anticipated cost, and reporting burden. Ideas for alternate measurement systems are welcome and encouraged, as well as suggestions for future modifications. The Department intends to choose one model by which all State agencies would be judged.

As State agencies comment on the proposed rule, the Department would appreciate discussion of the relative merits of the various other Federal employment programs, to provide a suitable context for evaluating the Food Stamp E&T Program. State agencies may describe the relative priority of each program within the State, populations served and the findings of any relevant evaluations. Suggestions on how funds could be used more effectively are welcome.

In addition, the Department invites State agencies to indicate the target populations they currently serve or plan to serve, as well as current sources of training funds, e.g., State-financed training programs for General Assistance (GA) participants, etc.

#### Goals

Among the most fundamental issues addressed by the Department are the

definition of the goals of the performance standards system and the ramifications of selecting different outcome measures on the types of programs State agencies might offer.

The performance standard systems proposed in this rule are compatible with a wide range of State-designed E&T programs and include incentives for State agencies to give priority service to work registrants over persons who volunteer, and within the work registrant group required to participate in E&T, to give priority service to persons with greater barriers to employment. To encourage the State agencies to operate meaningful programs, the Department proposes a requirement that each State agency annually serve at least ten percent of the E&T mandatory population.

Both models propose to measure outcomes of State agencies' E&T programs in terms of the number of participants that find jobs (job entries), the average hourly wage paid to participants, the number of the Food Stamp case closures and the extent of educational improvements.

Pursuant to section 404(d) of the Hunger Prevention Act, the Department sought input from other Federal, State and local agencies operating similar programs, as well as members of the academic community and representatives of food stamp households. In particular, great attention was given to establishing conformity, when possible, in the policies, definitions and practices used by DOL for the JTPA program and by DHHS for the JOBS program.

The Department expects the performance standards system to evolve over time to reflect the benefit of experience with the new system, additional research, and ongoing exchanges of information with administrators of JTPA, JOBS and other related programs and with other experts. Modifications to the system can be expected in the form of updated standards as new information becomes available, refined definitions and new and revised measures. This is consistent with the approach used by DOL for the JTPA program.

The Department also recognizes that implementing the new performance standards system would be a major effort for State agencies particularly in terms of the new data reporting requirements. In addition, many State agencies may want to modify their programs to offer different types of services. Therefore, the Department's proposed rule acknowledges the need for an initial transition period during

which State agencies would continue development of their reporting systems and gain experience with the new reporting forms.

#### Current Performance Standards

The current performance standard at 7 CFR 273.7(o) is based on the provisions of the Food Security Act of 1985 (Pub. L. 99-198) which authorized the establishment of the Food Stamp E&T Program. The statute mandated national performance standards that were to be based on placing a minimum percentage of eligible participants into E&T program components, not to exceed 50 percent of the eligible population. In setting acceptable levels of performance, the Department was directed to allow variations of the performance standards among State agencies and to consider the cost to State agencies, as well as the extent of volunteer participation.

In December 1986, the Department issued final rules for the E&T program (51 FR 47378). Annual performance standards were established, beginning with Fiscal Year (FY) 1989. The current standard reflects the mandate of Public Law 99-198 for process-based

standards, that is, the standard set a minimum level of the number of nonexempt work registrants that State agencies must place in E&T activities. In keeping with the mandatory nature of the program required by the statute and the emphasis within the Food Stamp Program on work registration requirements for eligible food stamp recipients, the Department's approach to the design of the Food Stamp E&T Program was to encourage State agencies to serve as many persons as possible. The current performance standard reflects this broad-based approach. The performance standard was set at 35 percent for FY 1989 and 50 percent for FY 1990, as described at 7 CFR 273.7(o)(7). For FY 1991, the performance standard remains at 50 percent.

Under the current standard, a State agency's annual performance rate is determined by a formula that calculates the number of "placements" in E&T activities as a percentage of the number of persons eligible to be placed. The number of placements in the numerator of the equation includes three categories of participants: the number of

nonexempt work registrants (referred to as mandatory E&T participants) who actually began an E&T component; the number of mandatory E&T participants who failed to comply with E&T requirements and were sent a notice of adverse action (NOAA) or were denied certification; and the number of exempt work registrants who voluntarily participated in E&T activities. NOAAs and denied certifications are counted as placements in recognition of the effort and expense that State agencies incur in attempting to serve these participants. In this formula, a placement occurs when a person begins an E&T component, is sent a NOAA, or is denied certification during the year. Thus, under the current system, it is possible that one participant may account for several placements.

The denominator of the equation is called the "base of eligibles" and it includes all food stamp work registrants not exempt from E&T plus the number of volunteers who participated during the year. The formula may be summarized as:

$$\frac{\text{Mandatory Participants} + \text{Volunteers} + \text{NOAAs}}{(\text{Work Registrants} - \text{Exemptions}) + \text{Volunteers}} = \text{Performance Rate}$$

#### Statutory Changes to Performance Standards

The Hunger Prevention Act of 1988 requires the Department to develop new performance standards based on the degree of success that State agencies may reasonably be expected to achieve in helping individuals to achieve self-sufficiency. The new standards must be implemented by State agencies by October 1, 1991, at which time the current participation-based standard would expire.

The Secretary must coordinate the new performance standards with those of JTPA and JOBS, taking into consideration the differing characteristics of the households served by the different programs. In addition, the performance standards must take into account several factors, including: The extent of volunteer participation in the E&T program, job placement rates, wage rates, job retention rates, the number of households ceasing to need food stamps, and improvements in educational levels among household members.

The Secretary is also directed to establish performance standards which

encourage State agencies to serve those individuals having greater barriers to employment and consequently greater difficulties in achieving self-sufficiency. The new performance standards must be designed to include guidelines permitting appropriate variations that take into account differing conditions in different States, to include varying unemployment rates and rates of volunteer participation. Finally, Public Law 100-435 provides for variance of the national performance standards in any State as necessary to take into account specific economic, geographic, and demographic factors in a given State, the characteristics of the population to be served in the State, and the types of services to be provided by the State.

The impact of this statutory change on the Food Stamp E&T Program is significant. Although certain basic aspects of E&T would be unaffected by the new standards (such as the mandatory nature of E&T for those subject to the requirements and the types of components State agencies may offer, as described in the Food Stamp Act of 1977, as amended), Congress clearly intended the Department to make some fundamental changes to

national E&T policy. The Department anticipates that the change from process-based to outcome-based standards would have a major impact on the decisions made by State agencies in designing and operating the Food Stamp E&T Program. The statutory requirements proposed by this rule would influence the mix of components State agencies choose to offer and the participants targeted for E&T services and would increase the level and complexity of data reporting requirements.

#### Development of the Proposed Performance Standards

##### Sources to be Consulted

In section 404(d) of Public Law 100-435, Congress directed the Secretary to develop performance standards for the E&T program after consultation with the Office of Technology and Assessment, the Secretaries of Labor and Health and Human Services, appropriate State officials, other experts, and representatives of food stamp households. To meet this mandate, the Department retained the services of a consultant who solicited responses from

the statutorily identified sources on an array of issues addressed in the development of the new performance standards. The consultant conducted research on various issues and conferred with a total of 15 different sources by mail and at two meetings. The information which the consultant provided, after the independent evaluation of the solicited input, proved very valuable, and the issues, comments, and recommendations made in the consultant's reports will be discussed throughout this preamble.

#### *Commissioner's Meeting*

Catherine Bertini, the Assistant Secretary for Food and Consumer Services, also met with the Commissioners from six State agencies to discuss the impact the outcome-based performance standards would have on their States. The issues and information informally discussed and opinions expressed proved to be very useful and were taken into consideration with respect to numerous issues in this proposed rule.

#### *Coordination With JOBS and JTPA*

In addition to the consultant's reports and the informal input from the Commissioners, the Department contacted DOL and DHHS to learn more about the ways in which new E&T performance standards could be coordinated with performance standards of JTPA and JOBS. A brief summary of each program follows.

The Family Support Act of 1988 (Pub. L. 100-485) authorized the JOBS program under title IV-F of the Social Security Act. JOBS replaces other title IV work programs for recipients of the Aid to Families with Dependent Children (AFDC) Program such as the Work Incentive Program (WIN) and the WIN Demonstrations. JOBS is a comprehensive employment and training program with the purpose of helping AFDC recipients obtain the education, training, and employment that will help them avoid long-term welfare dependency. JOBS was to have been implemented by all States by October 1, 1990, but States do not have to fully implement the program statewide until October 1992. Like the Food Stamp E&T Program, JOBS is mandatory for those participants who are not otherwise exempt by law or for other reasons as determined by States. States must offer a variety of services including education, job readiness, job skills training, and job development and job placement activities. JOBS participants receive extensive support services including reimbursements for child care, transportation, and other work-related

expenses. Federal funding for JOBS in FY 1991, 1992, and 1993 is authorized at \$1 billion per year. By FY 1995, funding will reach \$1.3 billion.

Initial performance standards for the JOBS program are process-based; States must meet a participation rate of seven percent in FY 1990 and 1991, with an increase in the rate every two years up to a maximum of 20 percent by 1995. These participation standards encompass much more intensive participation requirements compared to E&T components. The computation period for calculating the rates also changes over these years, starting with annual rates for FY 1990 and becoming monthly in FY 1994. Recommendations for outcome-based performance standards are due to Congress on October 1, 1993. Since the JOBS performance standards are unlikely to focus on outcomes for several years, there are few opportunities for coordination between E&T outcome-based standards and those of JOBS, at least for the initial implementation. However, in view of the tremendous effort that States will be expending in the next several years to implement JOBS, the Department and DHHS are discussing the ongoing coordination efforts for JOBS and E&T, including, when possible, conformity in data reporting definitions.

In 1982, Congress established in Public Law 97-300, the JTPA program as the core of the nation's system for providing employment and training services to low-income persons. The JTPA Title II-A Adult and Youth Program most closely resembles E&T and serves about one million persons annually, 90 percent of whom are economically disadvantaged adults and youth. The funding level for FY 1991 is \$1.8 billion. The average program cost per participant in 1990 was \$2,300. By contrast, the Food Stamp E&T Program also serves about one million participants annually, at approximately \$135 per participant, and total budgeted Federal funds will not exceed \$140 million in FY 1990. While E&T is a mandatory program that has emphasized low cost interventions such as job search, JTPA is a program for which participants volunteer, that emphasizes more intensive interventions such as on-the-job training activities and classroom training.

JTPA has had outcome-based performance standards in effect since 1983; the standards are based on the Act's premise that "job training is an investment in human capital and not an expense." 29 U.S.C. 1516(a). In assessing the return on this investment, the JTPA

legislation directs DOL to measure reductions in welfare dependency, increases in employment, and increases in earnings. Initially, the performance standards focused primarily on the outcomes attained upon completion of training. Gradually, DOL added more measures designed to capture the longer-term effects of JTPA training. Beginning in Program Year 1990 which began July 1, 1990, JTPA Title II-A standards for adult and youth welfare programs will focus exclusively on postprogram outcomes, relying on a 13-week follow-up period for measuring outcomes, as a way of emphasizing the importance of long-term employability development.

Although both the JOBS and JTPA programs are analogous to the Food Stamp E&T Program, only JTPA has an outcome-based performance standards system currently in place. Therefore, to learn about the process for developing outcome-based performance standards, the Department looked to the experience of DOL in establishing outcome-based performance standards for the JTPA Title II-A Programs.

#### *JOBS and JTPA Evaluations Now Underway*

Research is currently being performed to evaluate JOBS and JTPA, both of which have considerably more funding than the Food Stamp E&T Program. Both evaluations use a classical experimental design involving random assignments to treatment and control groups.

The JOBS Evaluation involves ten sites and approximately 45,000 individuals randomly assigned over 12 to 18 months. Follow-ups will continue for up to five years. The eight-year study, scheduled to end in 1997, will analyze the impacts on recipients and their children in terms of employment and earnings, reduced need for assistance, recidivism, and educational improvements as well as an analysis of the cost-effectiveness of JOBS.

The JTPA Evaluation involves the random assignment of more than 30,000 applicants to treatment and control groups in over 16 locally administered sites. Follow-ups are scheduled at 18, 27 and 30 months from the point of random assignment. The six year study will look at JTPA services to determine their overall effect on the JTPA population and certain subgroups of that population. Although this is a national evaluation, the results from this evaluation will not be nationally representative.

### Goals of the Performance Standard System

The language of Public Law 100-435 provides some guidance for the development of appropriate goals for the performance standards system. A key phrase in the Hunger Prevention Act directs the Department to base the standards on the degree of success that States have in " \* \* \* helping individuals to achieve self-sufficiency \* \* \* " The Department hopes that State agencies will consider this proposed rule with a view to how the proposed performance standards would affect their ability to help eligible participants become self-sufficient through employment.

#### *Design Issue: Greater State Flexibility*

In addition to the change from process-based to outcome-based standards, Pubic Law 100-435 mandates other fundamental changes to the E&T performance standard system, including encouraging services to participants who have greater barriers to employment and placing more emphasis on educational improvements.

The Department recognizes the importance of State flexibility in designing a system to accommodate these changes. The Senate stated in its report on the Hunger Prevention Act that "(s)tate flexibility is an essential part of the employment and training program, as the most effective employment and training programs are generally those to which states are most strongly committed and which they design themselves. The performance standards to be developed are intended to reinforce, not restrict, state flexibility." S. Rep. No. 100-397, 100th Cong., 2d Sess. 19 (1988).

#### *Design Issue: Establishing Priority of Service*

Given the need for greater State flexibility, the proper role for the Department is to encourage State agencies to operate meaningful programs that meet the intent of the Hunger Prevention Act. In doing so, the Department has balanced the need for State flexibility against the need to define basic national objectives for E&T, a task that is inherent in setting national outcome-based performance standards. Thus, the Department's approach is to establish reasonable parameters that define a meaningful program, particularly regarding both the number and characteristics of participants to be served. Within the proposed parameters, State agencies would be able to shape their E&T programs to match the needs of their eligible populations.

The Department notes that the basic mandatory nature of the Food Stamp E&T Program, as it was initially established by Congress in 1985, remains unchanged by Public Law 100-435. The Food Stamp E&T Program was intended to be a job seeking and training requirement primarily for food stamp work registrants. 7 U.S.C. 2015(d). Thus, for purposes of the outcome-based performance standard system, the Department intends to continue the current policy that emphasizes service to food stamp work registrants. The proposed performance standard system has been designed with the work registrant population in mind and establishes a general priority of service based on a participant's work registration status: Mandatory E&T participants who are defined as having greater barriers to employment would receive the highest priority; second in priority status are mandatory E&T participants who are not identified as having greater barriers to employment; and third, are those exempt from work registration who choose to participate in E&T of their own volition.

#### *Design Issue: Data Source for E&T Program and Participants*

In developing this proposed rule, the Department relied heavily on data collected for the national Evaluation of the Food Stamp Employment and Training Program (throughout this report referred to as the national E&T Evaluation). This evaluation was conducted in response to the Congressional mandate to evaluate the effectiveness of E&T, pursuant to section 16(h)(5)(B) of the Food Stamp Act of 1977, as amended.

The final report, which was released to Congress on November 28, 1990, details the effect of E&T on employment, income, and food stamp dependency and provides an assessment of the E&T program's cost-effectiveness.

The national E&T Evaluation was conducted with a nationally representative sample of 53 local food stamp agencies and included over 13,000 food stamp recipients. Individuals were randomly assigned to one of two groups—a treatment group required to enroll in E&T and a control group excluded from participation. The majority of participants in the treatment group were assigned to low intensity services such as job search (51 percent) and job search training (27 percent). Only 22 percent were assigned to more intensive components such as education or work experience. Consequently, the services sought by the control group outside of the E&T program were not much different from the treatment group.

The evaluators collected information on participants when they were first assigned to a treatment or control group and then interviewed them every four months for a year. The results are nationally representative of the program in 1988, the first full year of program operation.

The report concludes that E&T had no discernible effect on the likelihood of participants finding work, the amount of time worked, their average wages, or total income earned. Although over half of the E&T participants had some type of employment a year after E&T assignment, researchers noted a similar employment rate for the control group.

In addition, E&T did not affect the proportion of clients receiving food stamps, cash assistance, or the amount of cash assistance, but it did reduce food stamp benefits by an average of \$65 per participant per year. The reduction in food stamp benefits appears related to participants leaving the program earlier or having their benefits reduced because of noncompliance.

The cost of E&T, averaging only about \$135 per participant, was quite modest. However, because E&T had no significant effect on participants' employment and earnings, the program was not cost-effective in its first full year of operation.

The evaluators conclude that meeting the employment and training needs of Food Stamp Program participants is a tough challenge. E&T serves a highly mobile population, many of whom are in and out of the labor market for brief periods of time. About half of those in E&T obtain jobs on their own.

The findings indicate that substantial changes are required for the E&T program to yield a net benefit to either participants or taxpayers. It is apparent that the E&T population consists of some individuals who will obtain employment and leave the food stamp rolls by themselves, and others who have barriers to employment that cannot be overcome by the types of services (i.e., predominantly low intensity) provided through E&T.

#### **Definition of Terms**

Following are some of the basic terms that will be used throughout this preamble discussion and proposed rule. Although the Department sought where possible to use definitions that are familiar to the employment and training community, it was necessary to adapt terms to make sense within the context of the Food Stamp E&T Program.

**Model A:**

*Baseline month* refers to the month in which an eligible E&T participant (mandatory or volunteer) participates in an E&T assessment. Data on such characteristics as sex, race, marital status, household size and receipt of GA and unemployment compensation would be collected at the time of the E&T assessment.

*Base of E&T termines* refers to the denominator that is proposed for use in the calculation of the Model A measures. For the entered employment rate and the food stamp case closure rate, a State agency's performance on a measure would be determined by dividing the number of positive outcomes (i.e., number of job entries and case closures) by all of the E&T termines. For the wage rate, the denominator would be a subset of all E&T termines, those termines who are employed and reporting incomes. For the education improvement rate, the denominator would also be a subset of all termines, the number of E&T participants who are terminating from educational activities.

*E&T termination* refers to the point in time when an E&T participant completes an assigned employment and training activity. If the individual does not complete the component or activity, termination would be considered to be the day that he/she last attended or performed a scheduled E&T activity.

*E&T termines* are all E&T participants who begin an E&T activity or component and either complete or do not complete the activity for any reason, including getting a job or leaving the Food Stamp Program. Individuals who are assigned to E&T but never show up for the activity (i.e., "no shows") would not be considered "participants" and therefore not counted in this outcome-based system. State agencies remain obligated with regard to "no shows" to follow through with the appropriate action as required by the current regulations at 7 CFR 273.7(g).

*Entered employment*, for purposes of the performance standards, is defined as employment an E&T terminer has begun by the end of the month following the month of E&T termination, that is unsubsidized, involves no less than 20 scheduled hours of work a week, and is expected to last at least 30 days. Unsubsidized employment means that the wage or salary is not provided by another Federal, State, or local program as an intended benefit of that program.

*Measurement period* refers to the amount of time that State agencies would be allowed to report positive outcomes of participants after E&T

termination. The measurement period would vary according to the measure being proposed.

**Model B**

*Baseline month* refers to the month in which an eligible E&T participant (mandatory or volunteer) is randomly assigned to the treatment group or the control group sample. Random assignment would occur at the point that the State agency determines which nonexempt persons and volunteers would be selected to participate in an E&T program component. A treatment group member may actually begin participation in the E&T program in a later month. Baseline month data would be collected for all members of the treatment group (i.e., not just sample members) and the control group sample.

*Entered employment*, for purposes of the performance standards, means that an individual in the treatment group sample or the control group sample is or was employed anytime between the baseline month and end of the follow-up month. Employment begun prior to the baseline month would not be counted. For individuals with multiple jobs between the baseline and follow-up months, only one job per individual would be counted—the highest paying job. The employment would be unsubsidized, involve no less than 20 scheduled hours of work per week, and have lasted or be expected to last at least 30 days. Unsubsidized employment means that the wage or salary would not be provided by another Federal, State or local program as an intended benefit of that program.

*The follow-up month* is six months after the baseline month. For example, if April is the baseline month, the follow-up month is October. State agencies would collect for every member of the treatment group and control group sample information on their employment and Food Stamp Program status as of the follow-up month. State agencies would also collect for every member of the treatment group information on their educational status as of the follow-up month. This information collection is referred to as a follow-up interview.

*A negative effect* is when an outcome measure for the treatment group is less than the control group measure.

*A positive effect* is when an outcome measure for the treatment group is greater than the control group measure.

*Random assignment* is the method by which individuals are assigned to either the treatment or control group samples. The basic criterion in selecting a random sample is that each person in the entire universe (e.g., E&T mandatories who would be placed into

activity for which they could be sanctioned if they fail to comply) stands an equal (or known) chance of being selected into the sample. Randomization eliminates the problem of unobserved differences between the comparison groups (e.g., differences in motivation) which might otherwise bias findings on program effects.

*A statistically significant difference* in the number of persons employed means that, based on a reasonable probability (usually five percent), the difference between the employment measures estimated for the control and treatment samples is greater than the difference that could occur by chance, due to the natural variability of the E&T population from which the samples are drawn.

*The treatment and control groups* are randomly assigned comparison groups whose experiences only differ in terms of whether they are allowed or denied access to a food stamp E&T treatment. In this proposed regulation, the treatment group is the segment of the nonexempt and volunteer E&T population that is randomly assigned to the E&T program (i.e., treatment) and is expected to comply with E&T program requirements. The treatment group sample is a simple random sample of the persons in the treatment group. The control group sample is a random sample of nonexempt E&T persons and volunteers who are not permitted to participate in the E&T program. Members of the control group sample may receive employment and training services that are available to persons outside of the Food Stamp E&T Program. Comparisons of the employment and food stamp receipt of the two groups provide estimates of the effectiveness of the E&T program.

**Both Models**

*E&T volunteers* are currently defined at 7 CFR 273.7(f)(4)(iii) as participants who would not be disqualified from the Food Stamp Program for failure to comply with E&T requirements. The Department is proposing, for clarification, to add other criteria to that definition. The Department proposes to exclude as volunteers those food stamp recipients who are exempt from work registration, pursuant to 7 CFR 273.7(b)(1) (iii) and (v), because they are subject to and participating in title IV of the Social Security Act or Unemployment Insurance employment programs. Food stamp recipients other than those exempted through 7 CFR 273.7(b)(1) (iii) and (v) may be considered volunteers if they are assessed, referred to an approved food



stamp E&T component and tracked through the component in the State Food Stamp E&T Program. In proposing these restrictions on who may be counted as a volunteer for performance purposes, the Department seeks to establish that the nonpublic assistance population is given priority by the Food Stamp E&T Program. The Department also seeks to secure accountability by proposing that the performance system only take into account persons with whom the Food Stamp E&T Program has had contact, and therefore, may legitimately take credit for serving.

A *hard to employ* person is a potential E&T mandatory participant who, as of the determination in the baseline month, has not completed high school or earned an equivalency degree and who has not been employed in the 12 months prior to the baseline month.

A *measure* quantifies an aspect of program performance. An outcome-based measure quantifies a particular result expected from participation in an employment and training program. Examples of outcome-based measures are the percentage of persons who become employed or the average wage rate of such persons. By contrast, a process-based measure quantifies an aspect of the process of participation in an E&T program, such as the percentage of eligible individuals who participate or the completion rate for a specific activity.

*Positive outcome* refers to the instance when an E&T participant meets the intended goal being measured, e.g., a positive outcome for the entered employment rate is starting a job.

A *standard* is the minimally acceptable numerical level of performance that is established for each measure. For example, the standard for the measure of food stamp case closures may be a five percentage point increase in the average number of case closures which is statistically significant at the five percent level.

#### Overview of Model A

The objective of Model A is to measure the State agencies' success in meeting specific performance goals. These goals or performance standards would be adjusted to account for varying conditions within each State. The Department proposes to rely on measures of gross (as opposed to net) outcomes which are measured as of the time of an individual's termination from E&T. At the point of termination, defined specifically in the descriptions of the measures later in this preamble, the Department proposes that State agencies ascertain (1) whether or not the individual is employed, (2) if employed,

the average hourly wage, and (3) whether the individual's food stamp household is still receiving benefits, or whether the case has closed. If the State agency offers an education component, and the individual participated in this, the State agency should determine whether the criteria for successful completion have been met. Credit would be given to State agencies for the proportion of successful outcomes as compared to the base of eligibles, or potential positive outcomes.

The Department proposes to give more credit for job entries and for wages above the minimum wage that are achieved by persons with greater barriers to employment. The Department proposes to give less credit for job entries and for educational attainments achieved by persons who are not mandatory E&T participants (i.e., volunteers). The specific definitions of the measures, the rationale for the credit weights, and the associated data reporting items are discussed in detail below.

The Department proposes to set a national standard for each measure. For the initial period of October 1, 1991 through September 30, 1993, the Department would base the numeric levels on both an analysis of a database from the national evaluation of the E&T program and on consultation with experts in the fields of education and employment and training. Thereafter, the national standard for each measure would be derived from State agency reported data; data from the first year after implementation, FY 1992, would be used to set the national standards for FY 1994 and 1995. The intent is to set the levels so that 75 percent of the State agencies would have exceeded the standard in the previous period. These standards are relative standards and performance against such standards gives no evidence that the programs caused the outcomes.

To account for the effect on State agency's performance of various factors that are beyond the control of State and local program administrators such as State labor market conditions and the characteristics of E&T participants, the Department proposes to adjust the national standards for each State agency. For the initial period, the national standards for the entered employment rate, average hourly wage rate and food stamp case closure rate would be adjusted for each State agency to account for cross-State differences in labor markets and demographic factors during these periods using data from national sources. Beginning with FY 1994, the national standards would be adjusted for each State agency to reflect

the effect of E&T participant characteristics on the outcome measures. The adjustments would be updated annually based on State agency reported data to reflect the effects of these external factors on the likely outcomes of E&T participation. The Department also plans to continue work on the adjustment model and to monitor State agency reported data as the basis for revised standards for FY 1994 and 1995.

#### Overview of Model B

The objective of Model B is to determine the impact of each State agency's E&T program on participants' job entries, hourly wage rates, Food Stamp Program status and educational attainments. The impact of State programs would be measured by comparing these outcomes (except for educational attainments) for a randomly assigned sample of persons who are selected to participate in an E&T program component (the treatment group sample) with the outcomes for a randomly assigned sample of persons who are from the same population but who are not selected for the E&T program for the duration of the measurement period (the control group sample). Data on employment, hourly wage rates and Food Stamp Program status would be collected for all persons in the control and treatment group samples six months following the baseline month in which assignment to the E&T program occurred. The comparisons between the control and treatment group samples should yield unbiased estimates of aggregate net differences for each of the outcome-based performance measures; these would be interpreted as measures of whether the State agency's program had any effect on those outcomes, as compared to what would have happened in the absence of the program. As will be discussed later in this preamble, educational attainments would be measured for the entire treatment group but not the control group sample and State agency performance on this measure would be assessed using a different standard.

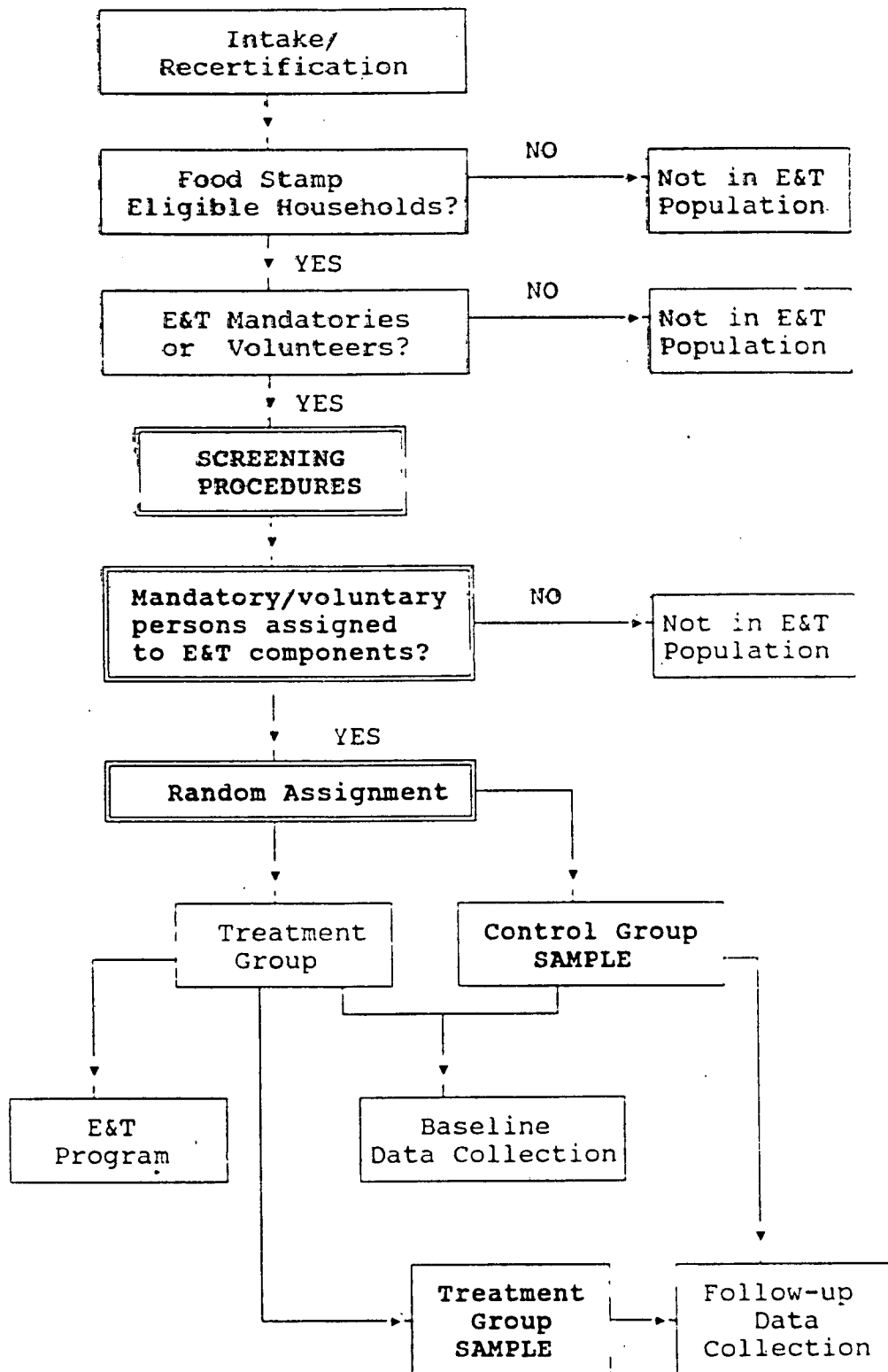
To secure against bias resulting from preferential attention to persons assigned to the treatment group sample, a random sample of all persons assigned to the treatment group in the baseline month would not be selected until six months later when the follow-up data collection occurs. The treatment group sample would be randomly drawn without regard to the actual participation patterns of the treatment group members during the measurement



period. This includes persons randomly assigned to a component who never begin it, persons who begin a component but never complete it, and persons who complete the component. To implement this, State agencies would be required to maintain lists of all persons selected each month to participate in the E&T program (that is, the sample universe). However, random assignment from this universe to the control group sample would occur in the baseline month, which is prior to when actual participation would have begun. Figure 1 illustrates the proposed approach.

BILLING CODE 3410-30-M

FIGURE 1



As with Model A, the Department proposes to give greater credit for the job entries and wage rates of the hard to employ, and less credit for volunteers.

The Department is proposing that State agencies conduct impact analyses and report these findings to the Department at the end of each fiscal year. This analysis is described later in this preamble in the discussion on reporting requirements.

The Department would expect each State agency to show a statistically significant finding of no effect or a positive effect for each measure for the first two years of this system. A statistically significant finding of a negative effect would be interpreted as an indicator of poor program performance. These standards are expected to change in the future as further data on State agency performance is gathered. If the State agency offers an education component, the Department would expect the State agency to affirm that a minimal standard of successful completion is met by members of the treatment group participating in this component.

The following four sections discuss in more detail the key features and design issues of the proposed Impact Performance Standards system (i.e., Model B).

#### *Random Assignment and Sample Selection*

The Department plans to develop a handbook similar to the handbooks used to design and implement State quality control systems to provide guidance to State agencies on the sampling design and random assignment procedures for the E&T performance measurement system.

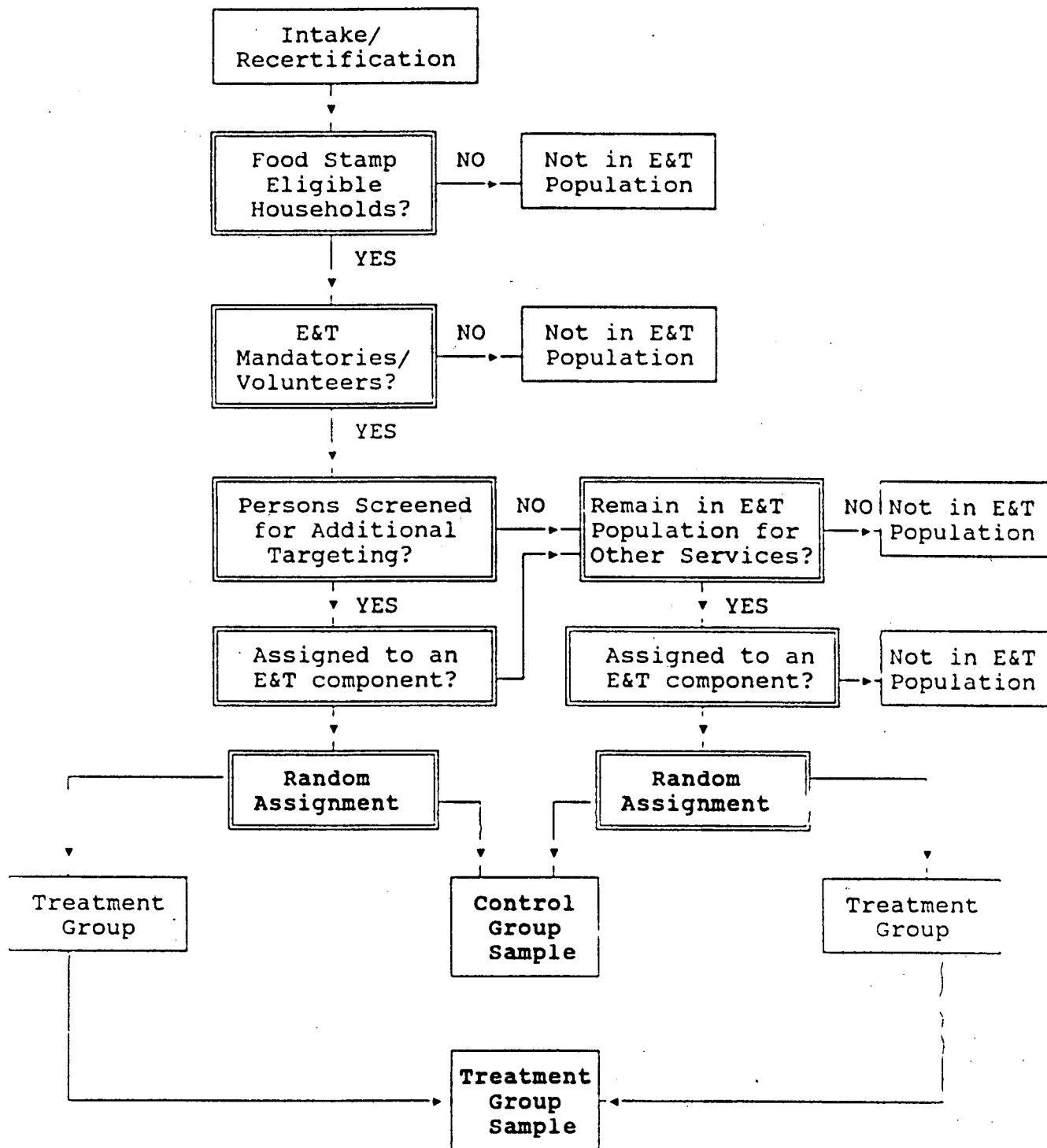
State agencies would collect data on job entries, hourly wage rates and Food Stamp Program status for a treatment group sample and a control group sample. These samples would be of equal size and be representative at the State level of all E&T mandatories and volunteers who, based on some determination, are assigned to an individual E&T program component or to a sequence or combination of activities. Since State agencies currently do not serve all persons determined nonexempt

for E&T, and given that State agencies would have greater flexibility under this proposal to target to a smaller percentage of the nonexempt population, all E&T programs would include selection procedures to identify the target groups for various E&T program treatments. These procedures may consist solely of a minimal screening activity that is conducted as part of the food stamp intake process or may involve more intensive needs assessment by E&T workers at a subsequent interview. More than likely, the programs designed by State agencies would provide for a variety of screening processes designed to identify various target groups for different program components. For purposes of sample selection, the universe would include all new potential E&T participants at the point where they have completed the last stage of screening and are assigned to an E&T component.

Figure 2 illustrates how random assignment would occur in a program featuring a two-step screening process to identify potential participants.

BILLING CODE 3410-30-M

FIGURE 2 - RANDOM ASSIGNMENT PROCEDURES



The samples would be representative at the State, not the local level, and thus, would reflect the diversity of the target groups and the components offered within the State to the eligible E&T participants. The estimated impacts of the program would be generalized to the entire State E&T program. State agencies would not be permitted to systematically discriminate against any subgroup of eligible E&T participants (such as persons receiving GA or participants in local offices with small programs) by excluding them from the sample universe.

To distribute the data collection effort of the E&T performance measurement system over the fiscal year, newly eligible E&T participants and volunteers would be randomly assigned to the control group sample and, retrospectively, to the treatment group sample on a monthly basis. A monthly system should eliminate analytic problems resulting from seasonal participation patterns and minimizes the likelihood of dramatic adjustments in sampling procedures because of unexpected changes in the flow of new E&T participants.

Although more guidance would be provided in the handbook, the Department would expect State agencies to designate someone at the State level to be the point of contact with the local offices for overseeing the random assignment of persons assigned to the E&T program. Ideally, random assignment decisions at the local level should also be coordinated by one individual who is responsible for maintaining monthly logs on persons who compose the sample universe, who are assigned to the samples, and the status of data collection for these persons.

In order to generate samples that meet the minimum sample size requirements (discussed later in this preamble), State agencies would project the number of persons that it plans to assign to E&T components and calculate the sampling interval that generates the appropriate sample sizes for the control and treatment groups. The State agency would inform each local office of the sampling interval for randomly assigning persons each month to the control and treatment samples. The resulting sample sizes would reflect the local office's relative share of the total population selected to participate in the E&T program. Site-specific random assignment tables would be used to determine the treatment or control group status of each newly eligible E&T participant.

Since some persons may not comply with the referral to an E&T component,

the estimated number of persons assigned to the E&T program would be greater than the number who actually participate. Hence, projections of the sample frame that are based on a target participation rate should take into account the rate at which persons do not comply with the initial assignment. Also, in States that exempt large numbers of work registrants or who plan to serve only a small proportion of the nonexempt population, the State agency should take care to identify a large enough target population to allow for random assignment of potential participants to the control group without decreasing the total number of persons served. For example, if a local agency contracts for 50 training slots per month for the hard to employ and the agency's sampling interval is 2 out of 50, the local office would assess and assign at least 52 persons from the target group to the training to allow for random assignment of two persons to the control group sample.

To illustrate the general operational approach, consider a local office in a State that has determined that its sampling rate is 1 out of 50 potential E&T participants. The local site coordinator would compare the last two digits of the social security number of potential participants with the random table issued by the State agency. For this local office, a hypothetical random numbers table might indicate that persons with social security numbers ending in 01 and 87 should be assigned to the control group sample and those ending in 14 and 55 should be assigned to the treatment group sample (this would produce samples consistent with a sampling rate of 1 out of 50). E&T eligibles whose social security number did not match with the selected random numbers would compose the nonsampled treatment group.

From a broader management perspective, the nonsampled treatment group is really the majority of the E&T mandatories and volunteers who receive E&T services. From the perspective of the performance standard system, this is the group for which no follow-up data collection (except for education component participants) is required to measure the impact of the E&T program.

The Department is proposing that random assignment occur at the point in a State agency's program when it has identified the population that is required or volunteers to comply with an assignment to a work program component such as job search, classroom training or work experience. This is not necessarily the first point at which a nonexempt work registrant could be sanctioned for failing without

good cause to participate in the E&T program. Persons may elect not to comply with a screening or assessment requirement that occurs after the Food Stamp intake/recertification process but before the assignment to an E&T component. Since we are randomly assigning individuals at a later point (e.g., after they are assigned to a service component) the measurement system would not capture this potential effect of a Food Stamp work requirement. As the national E&T Evaluation found, this initial effect can be substantial; almost one-third of persons subject to the work requirement did not show up for the first E&T appointment.

On the other hand, if random assignment occurred before the E&T screening process, the resulting samples would include large numbers of persons who would never receive program services. As a result, there is a risk of not detecting the effect of the program components in the comparisons between controls and treatments.

As more State agencies operate intensive programs, there will more interest in the effects of these alternative designs. In this context, it is the Department's view that it is more important to place random assignment closer to the point where persons will actually participate in the E&T program activity rather than earlier in the intake process. This strategy improves the probability of observing a program impact if it exists and it improves the chances of estimating impacts for services actually received.

The proposed approach, however, is not designed to detect the effects of specific components. For example, in those States where on-the-job training (OJT) components are offered to a small proportion of the treatment group there is the risk that any OJT gains achieved would not be detected from the comparison of the entire treatment and control samples. State agencies that are interested in conducting analyses of the effectiveness of different treatments and of serving different subgroups, can elect to use more complex sample designs (subject to State plan approval). The current evaluation of the JTPA program, for example, uses a random assignment design that allows for impact analyses of three categories of activity streams in which the predominant activity is either classroom occupational skills training, on-the-job-training, or all other activities such as job search assistance, work experience, and stand-alone education.

#### *Design Restrictions*

To secure the integrity of the performance evaluation design, persons

assigned to the control group sample, similar to persons not served by E&T though eligible or mandatory, would not be provided any E&T program services, even as a volunteer, for the six-month data collection period. This exclusion includes any referrals to other programs that would not have occurred in the absence of the E&T program.

To minimize the prohibition of services to persons randomly assigned to the control group sample, no individual would be assigned to a control sample more than once.

#### *Potential Treatment Bias*

While it is obvious that persons in the control group sample would be identified prior to the time when actual E&T services begin, the Department is concerned that prior identification of persons in the treatment group sample may result in preferential services to this group. That is, State agencies may focus more E&T resources on the treatment cases selected for the performance evaluation. This would bias the results in favor of a finding of a program effect. There are two alternatives that would safeguard against a treatment bias of this nature. The first approach would require State agencies to collect baseline and the follow-up outcome data for the entire treatment group. This would be a costly data collection effort if outcome data in the follow-up period are based on interviews.

The second approach, and the one the Department is proposing, is to require State agencies to wait and draw the treatment group sample at the end of the tracking period, that is, at the start of the follow-up data collection month. To implement this approach, State agencies would be required to record basic characteristics information for all persons that are assigned to the E&T program rather than just a sample of persons in the treatment group. State agencies would also be required to record for this larger group (in E&T case records, for example) information that would assist in contacting the subsequently sampled persons for the six-month follow-up interview. This might include telephone numbers, verified addresses and names of important reference persons. This information would be particularly important for tracking the outcomes of persons who are assigned to a component but never begin or drop out of the component, and who would otherwise be difficult to locate six months later. In addition to this basic baseline information, State agencies would be required to maintain monthly lists of the treatment cases as they go

through the randomization process, in order to have appropriate sample frames for the later selection of treatment sample observations. Once the sample of persons in the treatment group are selected, the State agency would be required to extract the baseline information from the case records for the treatment group sample members and conduct follow-up interviews.

Comments are requested on the likelihood of a treatment bias and on the feasibility of drawing the sample at the end of the six-month follow-up period.

#### *Minimum Sample Sizes*

The unit of random assignment would be any food stamp household that contains at least one nonexempt or volunteer E&T participant. Although the outcomes of interest affect both individuals (employment and educational gains) and households (food stamp benefit status), the household unit would be selected because it eliminates the possibility of assigning different household members to different groups and, therefore, interfering with normal household decision-making processes that might result in artificial differences between treatment and control group samples.

The Department is proposing the following minimum sample sizes for State agencies with small, medium and large E&T programs:

#### MINIMUM STATE SAMPLE SIZES FOR EACH OF THE TREATMENT AND CONTROL GROUPS

Average annual No. of E&T eligibles (N)	Minimum annual sample sizes (n)
60,000 or greater .....	3,400
10,000 to 59,999 .....	$n = 1,000 + [0.048 (N - 10,000)]$
less than 10,000 .....	1,000

**Note:** Combined sample sizes for the treatment and control groups would be twice the above numbers.

A sample size of 3,400 in large States would be sufficient to allow detection of a three percentage point overall program impact on participants' employment at a five percent level of statistical significance, with 80 percent power. That is, if the true program impact on employment rates is three percentage points, the State agency's sample has an 80 percent chance of detecting a statistically significant effect.

The Department is proposing smaller sample sizes for State agencies with smaller programs since they would also have less resources to devote to the cost of the data collection. Although this means a reduction in sample precision, the proposed minimum sample size of

1,000 in small States would be sufficient to allow detection of a five percentage point overall program impact on participants' employment at a five percent level of statistical significance, with 80 percent power.

State agencies may find it necessary to pull extra sample points to guarantee that there would be sufficient observations in the event that the nonresponse rate in the follow-up interviews is substantial. (The attrition rate that occurred in the national E&T Evaluation as of the first four-month follow-up period was substantial).

These levels of precision are proposed because of the concern that few or no State agencies would find any significant positive results with smaller sample sizes. By way of comparison, a sample size of 900 in large States and 300 in small States would be sufficient to allow detection, respectively, of six and ten percentage point differences at the five percent level of statistical significance, with 80 percent power. The Department is interested in comments that provide more guidance on the correct tradeoff between the cost of larger sample sizes which improve the probability of detecting a program effect and smaller sample sizes which can detect only larger effects but which may be more appropriate given the size of the State agency's program and the expected benefits from the program effects.

#### **Overview—Both Models**

The Department plans to disseminate information on State agencies' performance on the four proposed outcome measures. For the initial period (FY 1992), there would be no financial consequences attached to State agencies' performance, although the Department would hold State agencies accountable for implementing the performance measurement system by October 1, 1991, as required by the Food Stamp Act of 1977, as amended (7 U.S.C. 2015(a)(4)(L)(iii)). Beginning FY 1993, the performance data collected would be used to determine State agency eligibility for incentive funding or if fiscal sanctions are warranted.

#### **Breadth of Service Requirement**

There is no conclusive research at this time which indicates that for large caseload programs such as the Food Stamp E&T Program, intensive, long-term interventions to a limited number of people yield greater success ratios than short-term interventions with larger numbers. According to Judith Gueron and Daniel Friedlander, "Are High-Cost Services More Effective than Low-Cost

Services?", 1990, Manpower Demonstration Research Corporation, the evidence suggests that a program that provides primarily low-cost services (as long as they are above a certain threshold level of intensity) to as many people as possible may have the greatest aggregate impact on earnings or welfare payments. Using the same resources to serve fewer people with higher-cost components may produce lower aggregate effects, but may help program enrollees achieve higher average earnings.

It is the Department's view that a meaningful program should reach a reasonable number of persons, and to encourage that this happens, this rule proposes to require State agencies to serve no less than ten percent of the E&T mandatory population. That is, at least ten percent of the E&T mandatory population would begin participation (i.e., be placed) in an E&T component. In Model B, persons assigned to the treatment group sample would be included in this count; control group sample members would not be included since they do not begin a component. In both models, a State agency that provides for voluntary participation in the E&T program would be credited with serving volunteers by including the number of volunteer persons placed in both the numerator and denominator of the breadth of service measure.

The ten percent minimum level of service stands as a safeguard against inordinately low levels of service. It is not the level of service recommended or encouraged by the Department. On the contrary, the Department would like to see State agencies provide services to as many work registrants as possible. The performance standard models depicted in this rulemaking do not discourage broad-based programs, nor, in the Department's view, do they inhibit State agency flexibility.

For State E&T plans to be approved, State agencies would be required to address how the minimum percentage of mandatory participants would be served. Accordingly, this rulemaking proposes to amend 7 CFR 273.7(c)(4) to require State agencies to address the breadth of service requirement in the E&T plans.

The proposed calculations would not include a ten percent reduction to the base to account for short-term participants, as is allowed under the participation-based performance standards at 7 CFR 273.7(o)(5)(ii) of the current regulations. The Department does not believe that the ten percent reduction to the base is warranted, given the minimal level of service that would now be required of State

agencies. However, in accordance with current Food Stamp Program legislation (section 6(d)(4)(D)(i)) and accompanying regulations at 7 CFR 273.7(f)(2)(i), State agencies are allowed to exempt from work registration those food stamp recipients who participate for 30 days or less.

To determine compliance with this requirement, the Department proposes the following which is applicable under both Model A and Model B: State agencies would report in accordance with the proposed quarterly reporting requirements specified in 7 CFR 273.7(c)(6) of this rule, the cumulative number of mandatory participants and the cumulative number of voluntary participants who started an E&T component (as approved by FNS in the State agency's plan) during the fiscal year. The aggregate of these numbers would be the numerator of the breadth of service measure.

State agencies would also report the total number of nonexempt work registrants during the fiscal year. This number, plus the number of voluntary participants who were counted in the numerator, would be the denominator.

If a State agency fails to serve at least ten percent of its E&T mandatory population as specified in its State E&T plan, the Department may attach financial consequences to the noncompliance. The Department's authority to suspend or disallow Federal funds to State agencies in cases of noncompliance with the food stamp regulations is established in section 11(g) of the Food Stamp Act of 1977, as amended (7 U.S.C. 2020(g)). This rule proposes to calculate the dollar amount to be disallowed as follows: The State agency's 100 percent Federal E&T allocation for the pertinent year would be reduced proportionately to the percentage below the ten percent level that the State agency's actual level of service fell. No formal warning would be required, however, appeal and administrative review provisions of 7 CFR 276.1(b) would apply.

#### **Voluntary Participation**

Public Law 100-435 requires the Department to take rates of voluntary participation into account in measuring outcomes and also in adjusting the performance standards for State agencies. Current regulations at 7 CFR 273.7(f)(4) describe volunteers as participants who are not disqualified from the Food Stamp Program for failure to comply with an E&T requirement. State agencies are allowed to serve voluntary participants, and under the current performance standards, State agencies receive credit for placing them

into components. This rulemaking offers two new proposals affecting the definition and administrative processing of volunteers.

It has long been the Department's policy that in providing E&T services, priority should be given to food stamp work registrants. This is the population specified in the Food Stamp Act of 1977, as amended, as subject to work requirements and to sanctions for failure to comply. 7 U.S.C. 2015(d).

To emphasize service to work registrants, the Department proposes to count volunteer outcomes in the entered employment and educational improvement measures (described in subsequent paragraphs of this preamble) less than the outcomes of mandatory participants. Under both models, the Department proposes to give State agencies half credit for each volunteer job placement or educational outcome. Calculations showing the proposed method of counting volunteer job placements and educational outcomes are included with the discussions of these measures appearing later in this preamble.

#### *Processing Effort for Volunteers*

For both Models A and B the Department proposes to require State agencies to assess, refer, and track all E&T volunteers in order to count toward E&T performance only those outcomes associated with food stamp E&T participation. Without this requirement, State agencies could take credit for the outcomes of food stamp recipients who have no contact with the Food Stamp E&T program but might have successfully participated in JOBS, JTPA or some other work program. The requirement to assess, refer, and track all participants should not impinge on State agencies' design flexibility; such activities are fundamental to any system State agencies use to report accurately the outcomes of all E&T participants, mandatory as well as volunteers.

#### *No Concurrent Participation in Other Employment and Training Programs*

Another concern about voluntary participation involves the coordination between food stamp E&T and other work programs. The Department recognizes that an integrated work program makes the best use of Federal and State dollars for many State agencies, and is very interested in encouraging linkages between the E&T and other work programs. At the same time, it is the Department's view that it is important that the outcome-based performance standard system clearly distinguish food stamp E&T participants



from participants of other work programs. This would guarantee that each program accurately measures its own performance and that of its target group.

Therefore, for purposes of reporting E&T outcomes, the Department proposes to clarify the definition of volunteers at 7 CFR 271.2 to exclude food stamp recipients who are exempt from work registration, pursuant to 7 CFR 273.7(b) (iii) and (v), because they are subject to and participating in title IV of the Social Security Act or Unemployment Insurance employment programs. Excluded as volunteers would be food stamp recipients who are actively participating either on a mandatory or voluntary basis in the JOBS program or the Federal-State unemployment compensation system. However, persons who are subject to JOBS but who are not participating in JOBS can elect to participate in the E&T program as volunteers. This would include recipients in areas where no JOBS program operates. Other food stamp recipients could be counted as volunteers if they are first processed through E&T channels—assessed, referred, and tracked for E&T purposes, even if these persons are subsequently referred to components of other work programs.

The Department is interested in receiving comments on the issues surrounding coordination and integration with other work programs, especially with regard to E&T voluntary participation. There will be larger and more complex integration issues to be faced in the future, particularly when the JOBS program adopts outcome-based performance standards. Thus, the Department expects that it will be necessary to revisit volunteer and coordination issues after the initial food stamp outcome standards have been implemented.

#### **Encouraging Service to Persons With Greater Barriers to Employment**

Public Law 100-435 requires that the performance standards encourage State agencies to serve those with greater barriers to employment and self-sufficiency. The statute does not define what constitutes greater barriers to employment, nor does it specify the degree to which State agencies should be encouraged to target resources to persons with greater barriers. Accordingly, the Department proposes both a definition of those with greater barriers to employment and a method within each of the two models for encouraging State agencies to serve these persons.

#### *Defining the Target Group*

The Department looked to a number of sources offering possible definitions of hard to employ individuals within the population eligible for E&T services. The sources included the consultant's reports, the JOBS and JTPA programs, and available research findings on characteristics and participation behaviors of the E&T population. The task of defining a target group of hard to employ individuals is difficult. As the consultant's reports pointed out, the entire eligible population of food stamp work registrants and volunteers is considered hard to employ in comparison to the general public.

During initial solicitation of sources by the consultant, a comprehensive list of characteristics was suggested for consideration. These characteristics included: Lack of high school diploma or equivalency, illiteracy, limited English proficiency, poor work history, long-term food stamp dependency, homelessness, disability or handicap, learning disability, substance abuse, and criminal record. As these characteristics were considered, the majority of sources reporting to the consultant counseled against using a multiple definition consisting of so many serious barriers to employment as to require more intensive and costly interventions than is realistic given the E&T program's limited funding resources. Therefore, the consultant concluded that the Department should focus on fewer characteristics that can be easily ascertained at E&T assessment and for which research has demonstrated a direct link to employability. The factors that emerged included lack of high school diploma or equivalency, poor work history, and long-term food stamp dependency. With regard to long-term food stamp dependency, some sources reporting to the consultant discussed allowing State agencies to target E&T resources to people who have been receiving food stamps for at least six months as an administratively simple method of selecting participants who are hard to employ.

The Department considered research findings on long-term food stamp dependency as a source for factors to include in the definition of the hard to employ group. Currently, there are no findings that identify the characteristics of long-term food stamp recipients so that these persons could be easily identified at food stamp application and targeted for E&T services. Two studies address characteristics of work registrants: A recent study involving four sites in two States, "Long-Term Participation in the Food Stamp Program

by Work Registrants", Research Triangle Institute, 1989, and another study based on a less recent, national database "The Dynamics of Food Stamp Program Participation", Abt Associates, 1989. The findings from the more recent study show that even though approximately half of all work registrants participated for only three months, the majority of food stamp benefits go to work registrants with multiple spells of participation and to those with single spells of participation lasting six months or longer. Although these findings suggest that it would be cost effective to target E&T resources to those work registrants who participate more frequently or for longer periods of time, the study was not able to identify a set of characteristics, using information routinely available in casefiles, that would predict which recipients would stay on the program for a long time. Also, the study did not examine the relationship between long-term food stamp receipt and employment outcomes.

The Department also looked at definitions of the targeted groups used by the JOBS and JTPA programs. The Social Security Act defines the target group under JOBS to include custodial parents under age 24 with no high school or equivalency or little/no work history in the last year, families in which the youngest child is within two years of ineligibility for AFDC, and families that have received AFDC benefits for 36 of the last 60 months. Although this definition is appropriate for the JOBS program, it does not match the characteristics of the food stamp E&T mandatory population which in comparison has a higher turnover rate and fewer dependents. JTPA is required to serve welfare recipients, defined as those receiving AFDC, GA, or Refugee Cash Assistance, and high school dropouts on an equitable basis relative to their proportion of the population. In an effort to improve targeting to the hard to employ, DOL published new requirements on May 16, 1990 for State agencies to report information about terminees with barriers to employment including those with multiple barriers, defined as those having three out of the following 12 characteristics: School dropout (i.e., no high school diploma or equivalent), limited English proficiency, handicapped/disabled, offender, reading skills below seventh grade proficiency, math skills below seventh grade proficiency, long-term AFDC dependency (24 of last 30 months), homelessness, JOBS program participants, lack of significant work history (not the same employer for more

than three months of last two years), substance abuse, and pregnant/parenting teen. 55 FR 20330 (1990). The Department notes with interest DOL's choice of characteristics and would like commenters to address the feasibility of State agencies collecting information on some or all of these potential barriers that may be characteristic of food stamp E&T participants (substituting for AFDC dependency a measure of food stamp dependency, such as received food stamps for six out of the twelve prior months).

The Department analyzed data collected from the national E&T Evaluation which is composed of the first follow-up survey responses conducted four months after a randomly selected group of work registrants entered the E&T program. The analysis focused on the consequences of two barriers to employment: The absence of a high school diploma (or its equivalent) and no work history in the 12 months prior to E&T assessment. Regression models were estimated to determine the effect of these characteristics on the employability and wages of the participant in the month they left the E&T program, while controlling for the effects of other economic and demographic factors such as the unemployment rate and population density.

The Department considered two definitions of the target group. The first includes only E&T participants that had neither recent work history nor a high school diploma (or equivalent). This group, representing 24 percent of all participants, was less than half as likely to get jobs compared to the participants with recent work history or a high school degree. That is, the employment rate, adjusted to control for differences in other economic and demographic factors, was 19 percent for this group compared to 39 percent for persons who either had a high school diploma or recent work history or both. The second more broadly defined group includes participants who had either no recent work history or no high school degree. This group, representing 70 percent of all participants, had an employment rate (adjusted for other factors) of 28 percent compared to 47 percent for terminees who had both a high school diploma and a recent work history.

The Department considered the ramifications of the size of the target group. The broader definition which covers 70 percent of participants improves the likelihood of recognizing most of the persons who are hard to employ. This may be an important consideration in defining the hard to

employ, at least initially, given the limitations of currently available data on other characteristics that might usefully identify the hard to employ (e.g., information on literacy levels and the quality of recent work history). On the other hand, inclusion of most of the eligible population in the hard to employ category dilutes the purpose of focusing on a subgroup with greater barriers to employment. Given that the majority of the E&T eligible population may be considered hard to employ in some capacity, it may be appropriate to use a definition that focuses attention on persons with greater barriers to employment in comparison to other eligible participants.

After careful consideration of this information, the Department proposes to define the hard to employ group as E&T mandatory participants who at the initial assessment do not have a high school diploma or equivalency and who have not worked in the 12 months prior to the E&T assessment. This definition would be the same for both Models A and B. The classification of hard to employ would be reserved for the E&T mandatory population in keeping with the policy of encouraging service to mandatories. It is important, at least initially, to base the definition of the hard to employ on sound empirical evidence. However, the Department is most interested in receiving comments on appropriate factors to use in defining the hard to employ as well as the size of the group that is appropriate for targeting.

The Department wants to discourage State agencies from "creaming" the pool of possible participants, i.e., serving the most employable to show better outcome results. Broad-based service requirements ameliorate this type of targeting because so many persons must be served. However, for reasons elaborated upon earlier, the Department has chosen to give State agencies the flexibility that comes with lower breadth of service requirements. The Department proposes to combat the tendency to cream by infusing its performance systems with mechanisms designed to encourage service to the hard to employ.

#### *Extra Credit for Serving Those With Greater Barriers*

The Department considered two ways in which State agencies could be encouraged to serve the hard to employ group—eliminating disincentives to serving the target group or providing direct incentives to serving the target group. The former method would involve adjusting the national standards through regression analyses in order to hold

State agencies harmless for serving those with greater barriers. This is the method used in the JTPA program. In addition, Public Law 100-435 requires the Department to adjust the standards to account for various factors that may affect State agencies abilities to meet national standards. The consultant's reports emphasized that removing disincentives to serving the hard to employ is not necessarily the same as encouraging State agencies to serve people whose positive outcomes are less certain. In addition, the sources reporting to the consultant thought that most State agency managers would prefer a simpler method in which they could easily calculate the extra credit they can expect to receive for the positive outcomes of the target group.

The Department agrees with the conclusions of the consultant's reports and proposes the latter method by which State agencies would be provided extra credit for the positive employment and wage outcomes of those defined as being hard to employ.

For both models the Department is proposing to weight the positive outcomes of the hard to employ so that the resulting score not only compensates for the lower likelihood of success for this group but would produce a higher score than the outcomes of persons without these barriers. The weight used for extra credit would initially be based on analysis of data from the national E&T Evaluation. As the weights would be applied differently to each measure, for each model, the specifics are discussed below in the context of each proposed measure.

*Model A:* To encourage State agencies to provide service to persons who have greater barriers to employment and for whom positive outcomes are less likely, outcomes by hard to employ persons would be weighted more heavily in the calculation of credits than those considered not hard to employ. Job entries and wage rates of those determined at the E&T screening or assessment to be hard to employ, would receive three times the credit as job entries and case closures of those considered not hard to employ. Further description of this calculation procedure is found in the discussions of measures appearing later in this preamble.

*Model B:* Job entries by persons in the hard to employ target group would be weighted by a factor of three and higher paying jobs obtained by target group members would be more heavily credited (by half the amount that the hourly wage rate exceeds the minimum wage) in the calculation of the overall average hourly wage rate. (The same

weights are proposed for Model A and are discussed in detail later in this preamble.) The above credits would be applied to the respective outcomes of volunteers and hard to employ target members in both the control group sample and the treatment group sample. To apply the credits to successes achieved by persons only in the treatment group would exaggerate the effect of the E&T program. By applying the credits to both samples, a net effect would occur only if more hard to employ persons achieve positive outcomes in the treatment group sample than in the control group sample.

#### *Long Term Participation*

The Department proposes to require State agencies to report the number of E&T participants/terminees who received food stamps for at least six months out of the twelve months prior to E&T assessment. The Department would analyze these data to determine if long-term food stamp dependency should be added to the definition of hard to employ and how this factor should be weighted. The public is invited to comment on the merits of this proposal and on the difficulty of providing information on prior food stamp receipt. The Department welcomes any research findings on the relationship between length of stay on the Food Stamp Program and barriers to employment.

#### *Measurement Issues*

##### *Criteria Used to Select Measures*

The Department considered several criteria in choosing the proposed measures for which specific standards would be set. First, the measures must respond to the statutory requirements. In addition, the measures should relate to the goals of the program, be simple and sensible to program staff, be feasible to implement within the time constraints imposed by the statute for implementation, minimize data collection costs, and be as consistent as possible with comparable measures used in JTPA and JOBS.

##### *Factors Selected as Measures*

Public Law 100-435 mandates six factors that must be taken into account: job placement rates, wage rates, job retention rates, households ceasing to need food stamp benefits, the extent of volunteer participants served by State agencies, and improved educational levels of household members. The Department interprets this mandate to mean that each of these factors must be accounted for in some way in the performance standard system, not that each factor must constitute a separate

measure. Accordingly, the Department proposes four initial measures that together take all six factors into account. These measures are: Entered employment rate, average wage rate, rate of food stamp case closures, and educational improvements.

##### *Factors Not Included as Separate Measures*

At this time, the Department is not proposing separate measures for volunteer participation or job retention. Instead, the level of volunteer participation would be incorporated into the calculation for each of the four proposed measures.

Data on wage rates should provide a good indication of the quality of jobs that participants are entering. Wage rates, along with the rates of food stamp case closures of E&T participants (terminees for Model A), serve as proxies for the quality indicator that job retention rates are intended to capture—E&T's success in helping participants become self-sufficient. The Department notes that JTPA established a precedent for using related measures to assess job retention and that DOL collected data on postprogram outcomes for several years before setting standards for these measures. Similarly, the Department plans to conduct further analyses of issues pertaining to job retention using the data collected for the national E&T Evaluation.

The consultant's reports pointed out that the collection of data on job retention, other than that proposed in this rulemaking, could be extremely costly. Collecting such information on job retention would require State agencies to operate a separate, costly data collection system which would involve either follow-up surveys or data matches (assuming problems of timeliness and coverage can be resolved) or both. In addition, there is a risk of high nonresponse rates because of the difficulty of tracking and interviewing this population. These issues argue strongly for using alternative indicators of job retention in the initial years and for continuing research on the feasibility of a more direct and less expensive measure.

##### *Establishing a Measurement Period for Counting Outcomes*

The measurement period refers to the amount of time within which State agencies would be allowed to track the outcomes of participants. In Model A, the measurement period begins at E&T termination; in Model B, the period begins in the baseline month.

*Model A:* The Department proposes to allow State agencies to report outcomes

that occur up to one month after the month of E&T termination for the measures of entered employment rates, wage rates, and educational improvements. This measurement period conforms to the amount of time that States will be allowed under the JOBS program to count employed hours of JOBS participants toward the participation standard.

The Department decided that where possible it is important to conform to the approach and time period used in JOBS since in most States, the same agency will be tracking both JOBS and E&T participants. In contrast, JTPA allows a longer measurement period within which to count outcomes of participation. While JTPA measures youth outcomes at the point of termination from the program, local program operators are allowed to place participants in an inactive status once a year for up to 90 days before either referring them to another component or terminating them. Thus, for youth programs, JTPA allows a window of 90 days between the end of actual program activity and the counting of outcomes. With follow-up measures for JTPA adult programs, the outcomes are measured up to six months after completion of actual program activity.

This rulemaking proposes that State agencies would have three months after the month of termination to report outcomes for the food stamp case closure rate. The measurement period is longer for this measure to allow sufficient time to capture the case closures for those E&T terminees who find employment by the end of the month following the month of termination.

*Model B:* The point at which a person terminates E&T is not a factor in the Model B evaluation. Instead, the Department proposes that State agencies conduct follow-up interviews with control and treatment sample cases six months after random assignment to ascertain whether the participant was or is employed, if so, at what wage rate, food stamp case status and educational achievements.

The Department gave careful attention to the length of time which should elapse between the baseline and follow-up interviews. The national E&T Evaluation and other studies have shown that it takes on average about three to four months for persons to complete a short-term intervention because of the lags that are inherent in normal processing functions. Therefore, a six-month observation period is sufficient for capturing the effects of

programs emphasizing shorter-term components.

On the other hand, a six-month follow-up may not be sufficient for capturing the effects of more intensive, long-term components, particularly those addressing basic skill deficiencies, such as education. A number of persons would still be participating in their components six months after random assignment. Studies of programs emphasizing higher cost services suggest that the value of these programs is the long-term effects on employment; for example, programs show greater earnings increases in the second year compared to the first year after treatment.

A single interview at seven or eight months might be more successful in capturing the effect of longer-term interventions. However, the Department has concerns about attrition and the validity of the responses of those in short-term intervention. As the national E&T Evaluation shows, the number of individuals who become inaccessible would increase with each passing month.

Despite concerns, the Department rejected the idea of multiple waves of follow-up surveys, which might capture both the short and longer-term effects, as too costly. The increased burden on local offices and on the participants themselves may not be justified. With this in mind, the Department is proposing that only one follow-up interview be conducted with each member of the sample, in the sixth month after the point of random assignment.

The Department is very interested in receiving comments on this issue. Although a follow-up period of six months has been proposed, the Department is interested in receiving suggestions on follow-up periods of other lengths. In particular, the Department is interested in the feasibility of using varying follow-up periods for the different measures. For example, a shorter follow-up period (e.g., four months) might be preferred for less intensive interventions, such as job search, while a longer period (e.g., eight months) might be preferred for longer, more intensive components, such as education. Commenters should discuss the advantages and disadvantages of their suggestions (i.e., the effects of attrition vs. ability to capture outcomes of long-term components).

#### *Base of Measurement—Universe*

**Model A:** This rulemaking proposes to measure outcomes against the base of E&T trainees or a subset of trainees. This would include all those participants

who started an E&T component and then either completed the activity or stopped participating in E&T or the Food Stamp Program for reasons including employment. Alternative bases might include all E&T mandatory participants or all work registrants. The consultant's reports recommended using E&T trainees as the base because this compares the number of positive outcomes in terms of persons actually served by E&T. This provides a basis of comparison between different programs, ranging from broad-based to intensive and targeted.

**Model B:** Because the Department proposes to assess the impact of the E&T program at a specified time, i.e., six months after assignment to a treatment or control group, the point of E&T termination is not a factor, as it is in Model A, and thus a different base, or universe should be used.

The Department proposes that for Model B State agencies collect baseline data for a treatment group sample and a control group sample. These samples would be of equal size and would be representative at the State level of all E&T trainees who, based on some initial determination, are required to comply with a placement into an E&T program component, in addition to volunteers. If a State agency refers all persons determined nonexempt for E&T an upfront job search component, then the universe consists of all of these mandatory participants plus any volunteers for job search activities. If a State agency elects to serve only a portion of the nonexempts and volunteers, the universe for drawing the control and treatment samples consists of only this portion of the E&T mandatory and volunteer population.

All areas of a State which are not geographically exempt from E&T would be required to be included in the process of selecting sample cases. In addition, this rule proposes that State agencies may not systematically discriminate against any subgroup of eligible E&T participants (such as persons also receiving GA) by excluding them from the sample universe.

#### **Proposed Measures of Performance**

**1. Entered Employment Rate.** This measure addresses job placement rates, as required by the statute. The proposed entered employment measure is a standard measure of success for employment and training programs; it is already used by several State agencies in measuring E&T outcomes.

The Department proposes to count employment if an E&T participant is working no less than 20 hours a week in an unsubsidized job that is expected to

last at least 30 days. A 20 hour minimum per week is proposed to be consistent with the current food stamp definition of employment, found at 7 CFR 273.7(n), pertaining to voluntary quit. It also conforms to the 20 hour standard for counting hours of participation of JOBS participants in States' participation rates, as described in the JOBS regulations at 45 CFR 250.78. Although the objectives for tracking job entries differ between food stamp E&T and JOBS, adopting the same concept of hours reduces the potential for confusion about what is an acceptable job. By establishing a 30-day requirement for expected job retention, a minimal level of job quality is assured. The sources reporting to the consultant expressed concern that inclusion of day-labor and other short-term jobs could severely distort the employment measure and promote low quality jobs. Similarly, requiring the job to be unsubsidized by any local, State, or Federal agency (as does JTPA) provides some level of assurance that the job is not dependent on direct government support.

**Model A:** The definition of the entered employment rate (EER) for Model A is proposed to be the annual number of E&T participants who begin employment, as defined above, by the end of the month following the month of termination of E&T activity as a percentage of all E&T trainees counted during the fiscal year.

All trainees would count equally in the base or denominator. The base of trainees includes those hard to employ mandatory, not hard to employ mandatory, and voluntary E&T participants who either completed or started but did not complete E&T activities.

State agencies would be able to count in the numerator of the equation the jobs of any E&T trainees who begin employment during the measurement period, including those who did not complete the required activity. The numerator would include the job entries of E&T trainees, with different weights applied to job entries of the three groups of E&T trainees: the hard to employ mandatories, not hard to employ mandatories, and volunteers.

Regression-adjusted employment rates were calculated for the hard to employ trainees and the not hard to employ trainees from the national E&T Evaluation. Those who are not included in the hard to employ category as proposed to be defined had an employment rate of 2.1 times higher than the hard to employ. Based on this analysis, the Department proposes to

weight the job entries of the mandatory participants who meet the definition of hard to employ (HTE) by 3, which provides almost one point extra credit over and above the level needed to equalize the employment rates of the two groups of terminees. The job entries of mandatory participants who are not hard to employ (NHTE) would be weighted at 1, and the job entries of volunteers would be weighted at .5. The calculations for the entered employment rate as proposed may be expressed as follows:

$$\text{EER} = \frac{(3 \times \text{HTE mandatory jobs}) + \text{NHTE mandatory jobs} + (.5 \times \text{volunteer jobs})}{\text{HTE mandatory} + \text{NHTE mandatory} + \text{volunteer terminees}}$$

**Model B:** The Department proposes that for a State agency to receive credit toward the annual entered employment rate, an individual in either of the sample groups would have to begin employment anytime between the baseline month and the end of the follow-up month. Employment begun prior to the baseline month would not be counted for the purposes of the outcome-based performance system. If an individual has two or more jobs, only one job would be counted—the highest paying job. To be counted, the employment should be no less than 20 hours a week, unsubsidized, and have lasted or be expected to last at least 30 days.

As with Model A, the employment of hard to employ persons would be weighted by 3, job entries of the not hard to employ would be weighted 1 and the job entries of volunteers would be weighted .5. These values would be assigned to both the treatment and control group samples.

The Department proposes to determine the EER in Model B by ascertaining, six months after the baseline month, how many persons in the treatment and control samples entered employment, as defined above. The statewide aggregate data would then be compared to see if the difference is statistically significant.

**2. Average Wage Rate.** The average wage rate measure is proposed to be defined as the regular time hourly rate of pay (or the hourly equivalent in the case of a salaried position) for employed E&T participants. Public Law 100-435 requires that wage rates be taken into account in the outcome-based performance standard system. The average wage rate measure is an indicator of the quality of jobs that E&T participants obtain. This measure corresponds to a similar measure JTPA used from Program Years 1984 to 1989.

Unlike the entered employment rate calculations, volunteer wage rates would not be weighted differently from the wages received by mandatorics. Many of the same conditions proposed for counting employment in the entered employment measure for both models would apply to the wage rate measure as well.

Since State agencies would receive extra credit in the employment rate measure for job placements obtained by hard to employ terminees (for Model A) and participants (for Model B), the Department proposes to give extra credit in this measure to the persons within this category who receive wage rates above a minimum threshold (i.e., higher quality jobs). The threshold proposed is the Federal minimum wage of \$4.25 per hour which will be effective October 1, 1991. Although the Fair Labor Standards Amendments of 1989 which increased the minimum wage also established a lower training wage, we expect that most individuals who find jobs would receive at least the minimum wage. The extra credit weight would be applied to the portion of the hourly wage rates received by the hard to employ that exceeds the Federal minimum wage. For example, if the hourly wage rate of a hard to employ mandatory terminee is \$5.25, extra credit would be applied to the \$1.00 of the wage which exceeds the Federal minimum wage in effect October 1991.

The extra credit for the initial year would be half of the amount that exceeds the Federal minimum wage. Using the above example of a \$5.25 hourly wage of a hard to employ mandatory terminee, the State agency would receive extra credit of 50 cents for this wage rate ( $\$1.00 \times .5$ ). This is based on an analysis of the wages of E&T participants from a dataset of the national E&T Evaluation that shows the average hourly wage rate of hard to employ participants, as we are proposing to define them at 7 CFR 271.2, is above the prevailing minimum wage but by a smaller amount than the wages of participants who are not hard to employ.

**Model A:** Wage rates would be counted for E&T participants who are employed during the measurement period whether or not they completed the required activity, if the job meets the proposed definition of employment. If a terminee has more than one job, State agencies would count only the wage rate of the highest paying job.

The average wage rate is proposed to be the average regular time hourly wage rate (including the extra credit portion) of employed terminees reporting wages.

The calculation would involve two steps. First, the portion of wages received by the hard to employ (HTE) mandatory terminees that exceeds the minimum wage would be calculated. The equation for making this calculation is expressed as follows:

$$\text{Portion of hourly wage rate exceeding minimum wage} = (\text{total hourly HTE wages}) - (\$4.25 \times \text{employed HTE reporting wages})$$

Second, half of this amount would be added to the entire amount of hourly wages paid to both hard to employ mandatory terminees and all other mandatory and voluntary terminees. The result is a weighted average hourly wage rate for terminees who become employed and report their wages. The equation for this calculation may be expressed as:

$$\text{Average hourly wage rate} = (.5 \times \text{portion exceeding minimum wage}) + \text{HTE wages} + \text{NHTE mandatory wages} + \text{volunteer wages} / \text{HTE} + \text{NHTE mandatory} + \text{volunteer employed terminees}$$

**Model B:** Wage rates may be counted only for employment the participant began between the baseline month and the end of the follow-up month. If an individual has more than one job, State agencies would count only the wage rates of the highest paying job. The average wage rate is proposed to be the average regular time hourly wage rate (including the extra credit portion for the hard to employ) of volunteers and mandatory participants in the sample groups.

As with Model A, the proposed calculation of performance for this measure would involve four steps. First, the portion of wages received by the hard to employ mandatory participants that exceed the minimum wage would be calculated, separately, for the treatment and control samples as follows:

$$\text{Portion of hourly wage rate exceeding minimum wage} = (\text{total hourly HTE wages}) - (\$4.25 \times \text{employed HTE reporting wages})$$

Second, for each sample group, half of this amount would be added to the entire amount of hourly wages paid to both hard to employ mandatory participants and all other mandatory and voluntary participants. The equation for this calculation may be expressed as:

$$\text{Average hourly wage rate} = (.5 \times \text{portion exceeding minimum wage}) + \text{HTE wages} + \text{NHTE mandatory wages} + \text{volunteer wages} / \text{HTE} + \text{NHTE mandatory} + \text{volunteer employed participants}$$

### 3. Rate of Food Stamp Case Closures.

This measure is proposed to account for "households ceasing to need benefits". While the information on the rate of food stamp case closures would not directly answer the question of how many recipients "cease to need" food stamps, it is a measure of reduced welfare dependency and a feasible approach for meeting the statutory directive. In the absence of any other information that speaks to the ultimate goal of E&T, which is to help people become self-sufficient, it is the Department's view that it is important to include this proxy measure. In fact, it would be extremely difficult to construct an affordable measure that could directly capture "ceasing to need benefits". This information is more appropriately investigated through a formal evaluation of the program, which the Department is considering conducting after the outcome-based performance standards have been in effect for several years.

The sources reporting to the consultant were divided on the issue of whether food stamp benefit reduction amounts should be included with the measure of case closure rates. Of great concern was that the rate of reduced benefits should also be measured because the wage rates of employed E&T termines may not be high enough to cause ineligibility for food stamp benefits, thus some positive movements toward self-sufficiency would not be recognized if only case closures are measured. Despite these considerations, the Department decided in favor of simplifying the measure to capture only case closures.

The Department also recognizes that not all case closures are caused by employment of E&T participants, but by other changes in household circumstances as well. Once again, the burden and cost of isolating case closures specifically precipitated by the employment of a family member caused the Department to use a broader construction of "ceasing to need benefits."

**Model A:** The outcome is proposed to be defined as the percentage of E&T mandatory and voluntary termines whose food stamp cases are closed as of the end of the third month following the month of E&T termination. All E&T termines would be treated equally in both the numerator and denominator of this measure, although State agencies would be required to separate volunteer and mandatory case closures. The mandatory termines who meet the definition of hard to employ would not be counted separately in this measure.

The equation for calculating the case closure rate may be expressed as:

$$\text{Case closure rate} = \frac{\# \text{all mandatory cases closed} + \# \text{voluntary cases closed}}{\text{all mandatory termines} + \text{voluntary termines}}$$

**Model B:** The outcome is proposed to be defined as the percentage of E&T mandatory and voluntary participants whose food stamp cases are closed prior to and into the follow-up month. The cases of all participants in the sample groups would be treated equally, that is, equal credit would be given for case closures of the hard to employ, not hard to employ, and volunteers.

The percentage of case closures in the treatment sample and control sample would be compared.

**4. Educational Improvements.** Several sources consulted by the Department urged FNS to propose an education measure based on their interpretation of the importance given to education in the Hunger Prevention Act of 1988 as a whole. One obstacle to establishing an education measure for the initial implementation of the outcome-based system is the lack of data relevant to the E&T population that could be used to set an initial standard. However, after considering the issues involved, the Department agrees that it is appropriate to include an education measure. In addition to the food stamp statutory requirement to take educational improvements into account, other programs are addressing the problem of poor basic literacy and math skills as primary barriers to employment for low-income persons. For example, education for AFDC parents under 20 is a centerpiece of the new JOBS program.

The Department proposes a multi-definitional approach to account for "increases in household members' educational levels". Acceptable educational improvements that may be counted toward the educational standard include: (1) completion of no fewer than 64 hours of classroom training in one or more educational components during the fiscal year; (2) achievement of a high school diploma or equivalency (i.e., GED); or (3) achievement of State-defined educational goals that are comparable to the gains expected from completing the hours of classroom training required in (1) above. Because of this flexible approach, State agencies that offer education components would need to specify in their State E&T plans which of these three definitions they plan to use in counting educational outcomes of E&T participants. State agencies may choose any one or more of the three definitions of educational outcomes.

State agencies that choose to use State-defined educational goals exclusively would need to explain these State-defined goals thoroughly in their State E&T plans, focusing on the justification of this approach and demonstrating that the State-defined goals are equivalent to the gains expected from at least 64 hours of classroom training.

For purposes of counting outcomes for this measure, acceptable educational activity would include completion of any single educational component or combination of educational components currently approved by FNS, including Adult Basic Education (ABE) classes, English as a Second Language, and GED preparation courses, among others. However, participation in components that do not focus on basic educational skills would not count toward meeting the 64 hour requirement. To clarify the focus of educational components on basic skills, the Department proposes to define basic skills at 7 CFR 273.7(f)(1)(vi) as reading, writing, mathematics, speaking, listening, and problem solving skills. This list of six basic skills was recommended by an interagency work group composed of staff from the Departments of Education, Health and Human Services, and Labor, which examined issues of defining literacy and basic skills for Federal agencies involved in literacy programs.

State agencies may elect to use one of the three definitions for any particular educational outcome, but they may count the outcome only once per intervention. This proposal would guarantee that educational outcome data are not inflated. For example, a State agency may choose reading improvement of one grade level as a State-defined goal. An E&T terminer (Model A) or participant (Model B) would then meet this goal by spending over 64 hours in a reading class. In this instance, the accomplishment could only be counted as one outcome, either as meeting the State-defined goal of improving reading ability by one grade level or as completing 64 hours of classroom training. Other educational accomplishments, however, represent completion of several educational outcomes. For example, an individual may take GED preparation classes as part of a State-defined educational goal; at a later time, the individual may take and pass the GED test. In this instance, completion of the GED preparation classes and the successful passing of the GED test would count as two educational outcomes.

Completion of 64 hours of classroom training serves as the minimally acceptable level of effort for this



measure. The purpose in setting a minimum number of hours is to establish a quantifiable level of effort that seems reasonable in comparison to the effort a State agency would expend in helping participants find a job. The number of hours proposed for completion of educational activity is based on an average of four hours per week spent in ABE classes multiplied by a median average of 16 weeks that work registrants participate in the Food Stamp Program. Department of Education staff estimated that the weekly average number of hours spent in ABE varies between four and six hours, although they cautioned that there are no nationally-derived averages at this time. The median average length of food stamp participation for work registrants was estimated from recent research findings.

The Department recognizes that 64 hours of educational instruction may not be sufficient to address major deficiencies in basic skills, however, the mobility of the E&T population may make even the completion of 64 hours a challenge. Moreover, the Department recognizes that this is a process-based measure that is defined solely in terms of the quantity of effort in an education component without regard for the quality of the effort. While it would be more desirable to measure successful completion of an education component, or better yet, actual gains in knowledge or basic skills, there is no consensus on how that would be accomplished, and pre- and post-testing of educational gains could be very expensive. The Department is requesting comments on ideas for an educational measure that more closely approximates the actual measurement of educational attainments within a reasonable range of costs.

The Department considered a number of options for an educational measure, including defining educational improvements strictly in terms of uniform national goals, such as the achievement of high school equivalency or increases in one grade level or several grade levels as measured by nationally-recognized standardized tests. Alternatively, State-defined goals were considered as a separate option. Both approaches have merit.

The advantage of defining educational outcomes from a national perspective, as the consultant's reports pointed out, is that it would facilitate cross-State comparisons and keep the measure meaningful to policy makers and the public. Given the fact, however, that the educational system in this country is largely controlled at the State and local level, it makes sense to recognize this

diversity and to give State agencies flexibility to utilize existing educational resources at the local level. Furthermore, a measure that is limited to a few outcomes, such as attainment of a GED, could discourage State agencies from securing educational opportunities for E&T participants through existing organizations, and it could also discourage service to E&T participants who may be most in need of educational assistance, such as those who cannot read. Thus, the Department concludes that proposing a measure that combines the advantages of several definitions of educational improvements would provide State agencies with the flexibility to make the best use of community educational resources for E&T participants. In particular, the Department is concerned that the education measure allow State agencies to receive credit for working with E&T participants who cannot read or who lack other basic educational skills.

Helping people become self-sufficient through education can be a very expensive and long term process that may exceed the limited resources available to the E&T program. It is the Department's view that the proposed approach is valid given these considerations, the enormous range and variation of educational services and activities, and the lack of empirical data on education and the E&T population. The Department notes that two major studies on basic literacy in the United States may soon provide valuable information. These two concurrent but separate surveys of literacy, are funded by the Departments of Education and Labor and are being conducted by the Educational Testing Service in Princeton. The results from these studies are expected to be released in the near future. They will be considered in future revisions to the education outcome measure.

Another Department of Education study, released in January 1990, attempted to define "basic skills" and "literacy". This study recommends a common, uniform baseline level to define deficiency in basic skills and literacy and promotes consistency in terms used by the various Federal agencies with basic skills and literacy programs. Legislation has recently been proposed that incorporates some of the recommendations from this study, including a definition of "literacy". The intent of this proposed legislation is to enhance the literacy and basic skills of adults by guaranteeing that all adults acquire the basic skills necessary to function effectively and achieve the greatest possible opportunity in their

work and in their lives and to strengthen and coordinate adult literacy programs. The Department will review all future legislation concerning adult literacy with the intent of incorporating them, as appropriate, in future E&T program regulations and policies.

Because State agencies are not required to offer educational components, this measure would be used only if education is part of a State agency's E&T program and the State agency chooses to measure educational outcomes.

The Department does not propose to provide extra credit for the educational outcomes of the hard to employ mandatory trainees. Since one of the barriers defining the latter group is no high school diploma or GED, it is presumed that this is the group that State agencies would be likely to involve in educational activities.

As discussed earlier in the preamble, the Department proposes to allow a partial credit of .5 for the educational outcomes of volunteers. The reason for this proposal is to make clear that the Department envisions priority of service will be with work registrants.

*Model A:* The educational improvement rate would be calculated for all mandatory and voluntary educational trainees as:

$$\text{Educational improvement rate} = \frac{\# \text{mandatory trainees} + (\text{voluntary trainees} \times .5) \text{ who completed 64 hours, or got GED's, or met State goals/all educational mandatory} + \text{voluntary trainees}}{\text{all educational mandatory} + \text{voluntary trainees}}$$

The Department's proposal limits the denominator to educational trainees in order to assess educational outcomes in relation to the persons who actually participated in educational activities. One drawback to using this denominator is the question of how to count the outcomes of educational trainees who drop out of educational components because they got jobs or left the Food Stamp Program. The Department does not believe it would be appropriate to count this positive outcome as an educational improvement, even though the educational instruction may have assisted the individual in getting the job. Since E&T educational trainees would be included in the denominators of the other three measures, the positive outcome of a job would be counted toward the entered employment rate. Anticipating the possibility that E&T participants may not complete educational activity for a variety of reasons, including getting a job or leaving the Food Stamp Program, it is the Department's view that it is more



appropriate to address these considerations in setting the standard, rather than to dilute the educational measure.

**Model B:** The classic experimental design used throughout Model B does not lend itself to an evaluation of educational improvement due to its impracticality. For example, pre- and post-testing, the preferred means of data collection, is prohibitive due to cost and would be burdensome to achieve, especially for the control group. Moreover, data collection for the control group would rely heavily, by default, on recall information from control group participants since collateral information would not be available or would be difficult to obtain. Recall information is less reliable and the Department is reluctant to use unreliable data to determine performance levels upon which funding would be based. Therefore, the Department is not proposing a comparison of the outcomes of the treatment and control groups for this measure. Instead, this outcome would be defined as the number of persons who began an educational component and achieved educational improvements as a percentage of all persons who began an educational component. Thus, this measure would examine the performance of treatment group participants only, similar to Model A, and would not track the educational improvements of control group participants.

Acceptable educational improvements that may be counted for this measure are: 1) completion of no fewer than 64 hours of classroom training in one or more educational components during the fiscal year; 2) achievement of a high school diploma or equivalency (i.e., GED); or 3) achievement of State-defined educational goals that are comparable to the gains expected from completing the hours of classroom training required in (1) above. The Department is proposing a national standard to assess the performance of State agencies who elect to provide educational components. This standard is discussed below.

#### Setting National Standards

**Model A:** It is the Department's view that initially the objective of the performance standard system should be to define a minimally acceptable level of performance expected of State agencies. This is the basic objective of DOL in setting the standards for the JTPA program. The minimal levels for the proposed national standards should be thought of as departure points, since these levels would be adjusted for each State agency to account for the effect on

State agencies' performance by certain factors that vary across States. The proposed adjustment process is described in subsequent paragraphs of this preamble.

Although the Department considered other approaches to setting the initial standards, the decision to set standards at the 25th percentile is consistent with the statutory requirement to set the standards at levels that State agencies can reasonably be expected to achieve. This does not preclude the Department, however, from using a different approach in future years such as calculating higher standards to distinguish outstanding performance. These standards are relative measures of State agencies' performance and do not distinguish between State agencies that had positive, negative or no impact on the desired outcome measures.

Except for an initial period from October 1991 through September 1993, national standards would be derived from performance data reported by State agencies for a previous period. The Department proposes to base national standards for FY 1994 and FY 1995 on State agencies' scores on each measure during the first year (October 1991 through September 1992). Following the example set by JTPA, the Department proposes to set the national standards at the 25th percentile. This means that in the prior period, 75 percent of the State agencies exceeded the national standards and are expected to perform as well in subsequent years. The Department intends to make public the revised national standards for FY 1994 and FY 1995 in the spring of 1993. Thereafter, national standards for the performance measures would be updated every other spring based on reported performance in the most recent prior fiscal year for which data are available. Thus, the Department would issue new national standards in spring 1995 for FY 1996 and FY 1997 based on analysis of data for FY 1994.

For the first two years, October 1, 1991 through September 30, 1993, standards for the entered employment rate, average wage rate, and food stamp case closure rate would be based on the Department's analysis of a database from the national E&T Evaluation. Since the national E&T Evaluation sample was representative of the nation as a whole rather than of the participating States, additional calculations were necessary in order to estimate what the 25th percentile would be for each of the three measures if aggregate State-level data were available. The educational improvement standard is based on the judgment of experts in the fields of

employment and training programs and adult education because data from the national E&T Evaluation are not adequate to assess educational outcomes.

For the initial period of October 1991 through September 1993, the Department proposes to set the following standards:

- Entered employment rate—25 percent of all E&T terminées;
- Average wage rate—\$4.45 (5 percent above the minimum wage of \$4.25 that will be effective on October 1, 1991);
- Case closure rate—20 percent of all E&T terminées;
- Educational improvement rate—25 percent of all E&T terminées completing educational components.

At the close of each fiscal year, State agencies' performance on each outcome measure would be compared to the respective standard for that measure. To promote fairer judgments of State agencies' performance, the national standards for each measure would be adjusted for each State agency to account for the effect on the program performance of State differences, as required by Pub. L. 100-435.

#### The Adjustment Process

The amendments made to section 6(d)(4) of the Food Stamp Act by Public Law 100-435 contain two clauses pertaining to this requirement. The new paragraph 6(d)(4)(L)(ii)(IV) requires the Secretary to include guidelines permitting appropriate variations that account for differing conditions, including unemployment rates and rates of voluntary participation, that may exist in different States. Referencing the adjustments provided for under (L)(ii)(IV), Congress further describes in paragraph (L)(iv) other allowable factors to be used to vary the standards in any State. These factors include specific economic, geographic, and demographic factors in the State, the characteristics of the population to be served, and the types of services to be provided. In the process of choosing appropriate variables for adjusting the standards, the Department considered factors mentioned in both clauses.

#### Adjusting Standards Using Multiple Regression Models

In the development of an appropriate adjustment methodology for the Model A outcome-based performance standards, the Department studied the approach developed by DOL in JTPA. The DOL adjustment model allows for systematic variation of the JTPA performance standards applied to local service delivery areas (SDAs), in an

effort to make standards equitable across localities that serve participants with different characteristics and face different economic conditions. The DOL adjustment model holds SDAs harmless for operating in a difficult environment or for serving clients that have greater barriers to employment. Conversely, the model holds SDAs to more stringent standards if they operate in an easier environment or serve more job-ready clients. DOL uses a multiple regression model to determine the quantitative relationship between participant characteristics and local economic factors on the one hand and each of the measures of performance on the other.

The purpose of regression-based adjustments is to control for factors that affect a State agency's performance but are not under the control of the State agency. The multiple regression adjustment model is based on the assumption that the program outcome of an individual depends on a series of causal factors or explanatory variables (such as education, work experience, local unemployment rate, etc.). The causal factors can be thought of as "predicting" the level of the outcome

measure. The regression procedure essentially determines a "weight" for each causal variable so that the difference between the performance outcome and the weighted sum of the causal factors across all individuals in the sample is minimized. After the weights are determined for each causal variable, the departure point for a standard may then be adjusted (raised or lowered) for each State agency by determining the amount by which the State agency differs from the national average for each factor in the model, multiplying the differences by the regression-determined weight for each factor, and summing the result across all factors in the model.

An example might be helpful in describing the regression-based adjustment process. Assume a State agency has a higher percentage of families below the poverty line compared to the national average and that a higher proportion of its program termines are female compared to the incidence of this characteristic among all termines in the national sample. Since the model, which is based on the average national experience, shows that

both factors are associated with lower average wages, the model predicts that this State agency would achieve a lower score on the wage rate, all other things remaining equal to the national experience. The reasons for this lower score—higher percentage of families in poverty and the effect of gender—are ones that can be considered out of the State agency's control. The adjustment process provides a methodology for calculating how much the State value on these factors differs from the national average value on these factors, and the model indicates how much effect these differences would have on the State agency's score on the average wage measure. The predicted difference in the score is the State adjustment; it is applied to the national departure point to tailor the national standard to the State agency's circumstances. In this example, the adjustment produces a State standard that is lower than the national departure point.

Exhibit A presents an illustrative worksheet for calculating the adjusted standard for a hypothetical State agency for the average wage rate standard.

#### EXHIBIT A.—ILLUSTRATIVE ADJUSTMENT WORKSHEET

[State: hypothetical; performance measure: average hourly wage rate; period: FY 1994]

A. State factors	B. Value of State factors	C. National average	D. Difference (B minus C)	E. Weights	F. Effect of State factors on standard (E times D)
Proportion Female .....	.600	.469	.131	-.471	-.062
Proportion under age 21 .....	.200	.128	.072	-.399	-.029
Proportion Married .....	.290	.291	-.001	.463	.000
Proportion Receiving UI .....	.020	.043	-.023	2.965	.068
Population Density (thousands per sq. mile) .....	.550	.353	.197	.122	.024
Proportion of Families Below Poverty .....	.100	.097	.003	-5.420	-.016
G. Total .....					-.15
H. National Departure Point .....					*** \$4.75
I. Adjusted State Standard (G + H) .....					\$ 4.60

\*\*\* Hypothetical national standard for FY 1994.

The DOL adjustment model is a complex system that reflects a comprehensive and sophisticated data reporting system that has been developed over a period of ten years. One drawback to the adoption of a multiple regression adjustment model patterned after the DOL model is that most State agencies would have to develop new data reporting systems to capture the information needed to make the necessary adjustments. As the consultant's reports pointed out, overly fine adjustments of the standards are misguided if sufficient dollars are not available to provide a meaningful level of program services.

Another concern about the DOL adjustment process is that the adjusted

State standards are calculated at the end of the fiscal year when the actual values of the adjustment factors are known. State agencies would know prior to the fiscal year the national standards, the factors that would be used for the State adjustments, and the weights for the adjustment factors. State agencies would also be collecting information on some of the factors and reporting these to the Department. As State agencies gain experience with the adjustment process, they would be able to anticipate how economic conditions and characteristics of clients served would be reflected in their respective State adjustments. However, the retrospective timing of the State adjustments may cause some uncertainty until State

agencies become familiar with the data and how the values for these data affect their standards.

Although these considerations are valid, it is the Department's view that a multiple regression model is the best way of adjusting national standards objectively so that equitable comparisons can be made between State agencies, as required by the statute. The Department addresses these concerns about the multiple regression model in this preamble.

#### *Proposed Regression-Based Adjustments*

The Department proposes to adopt the JTPA method of adjusting national standards but with several

modifications. First, since extra credits are added to State agencies' scores for positive outcomes achieved by persons with greater barriers to employment, States' standards would not be adjusted down for the effects of these factors (no high school diploma and no recent work history) on performance. In a sense, the prospective adjustments in the scores substitute for the retrospective adjustments in State standards for these factors. It is the Department's view that the extra credit approach (details discussed in earlier sections of this preamble) more directly rewards State agency managers, and that it simplifies the regression model, since fewer variables are needed to control for the negative effect on performance of serving the hard to employ.

Second, for an initial period (October 1991 through September 1993), the Department proposes to base State adjustments on those economic and demographic factors for which data are currently available from national sources such as the Bureau of Census and Bureau of Labor Statistics. That is, adjustments are limited to variables for which prior State-level data exist and which State agencies can use to anticipate the effect of these factors on its standards in the initial period. For example, State agencies would know past unemployment rates but would not know the characteristics of E&T trainees proposed to be collected until a later point in time. State agencies would be required to report information on the characteristics of E&T trainees beginning October 1991 but these data would not be reflected in the State adjustments until FY 1994.

The Department recognizes the importance of balancing the need to adjust standards with the need to limit cost and complexity of the data reporting requirements. As will be discussed below, State data reporting is limited only to variables found statistically significant and of sufficient impact to be included in the model. Following the example of DOL, the adjustment models would be re-estimated annually to reflect the most recent information on State factors and to assess the importance of these factors in the adjustment process. Information on the first major revision, incorporating State reported data for the first year, would be available in the spring of 1993. Thereafter, information on the revised models would be made public to the State agencies on an annual basis.

In order to select the factors for inclusion in the initial adjustment model and to identify the State reported-data items needed for development of

subsequent adjustment models, the Department conducted an analysis using data from the national E&T Evaluation. The following sections discuss this analysis.

#### *Factors Considered in the Adjustment Models*

Using data on E&T trainees from the national E&T Evaluation, the Department tested a number of factors to determine which were likely candidates to adjust the standards for three measures—entered employment rate, average wage rate, and food stamp case closure rate. Initially, a full model was tested for each measure that included many personal characteristics and local economic factors that were hypothesized as affecting performance. The set of factors tested was based on (1) existing evidence of effect on employment, earnings, or welfare dependency, (2) variables used for the DOL adjustment models, and (3) the availability of relevant data from the national E&T Evaluation data base. Personal characteristics that were tested in the full models included age, gender, race, marital status, high school completion, primary language other than English, welfare receipt (AFDC, GA, and unemployment compensation), employment in the previous year, and household size. Economic, geographic, and demographic factors tested in the full models included population density, unemployment rate, percentage of families below poverty, percent of employment in manufacturing, and average annual earnings in retail trade. Variables which did not reflect the expected relationship or whose weights were small relative to their standard errors were dropped and a revised model was estimated for each of the three measures. The empirical results were fairly consistent with JTPA findings. These initial analyses were presented to the various sources consulted for the reports and were considered reasonable by the majority.

Two factors required by Public Law 100-435 to be used to adjust the standards, rates of voluntary participation and the types of services provided, would be reflected in separate adjustments to each State agency's performance standards rather than included in the multiple regression adjustment. Voluntary participation is treated separately because of insufficient data in the database analyzed from the national E&T Evaluation. In order to consider voluntary participation for future adjustments, the Department proposes to require State agencies to report for each measure the number of trainees

who are volunteers. Until State-level data on volunteers is available to incorporate into the multiple regression models, the Department's proposal to provide twice as much credit for work registrants' job entries and educational outcomes as those of volunteers, would, in effect, provide an adjustment to States' performance standards for service to volunteers, by directly adjusting the measurement of performance.

The Department is accounting for differences in the types of services by independently measuring outcomes achieved between education and noneducation components. The inclusion of an educational measure in the performance standards system recognizes some important ways in which State agency performance may be affected by the types of services provided. The educational improvement rate, as proposed, emphasizes considerable flexibility in allowing State agencies to define educational goals and to count E&T participants' successful achievement of those State-defined goals toward the educational standard.

#### *Factors Selected for the Adjustment Models*

Regression models were reestimated for each measure using as control factors the proposed definition of hard to employ trainees (high school dropouts and not employed in the previous 12 months) and several variables to represent other individual characteristics and local economic factors. The individual characteristics that were included in the reestimated models were those that had been indicated as statistically significant during earlier tests. The factors included in the final models which would be the basis for the Department's proposals for adjusting State's standards and for setting State data reporting requirements are as follows:

- **Entered Employment Rate:** the number of hard to employ trainees, number of trainees who are GA recipients, number of trainees who are minorities (defined as Black (not Hispanic), Hispanic, American Indian or Alaskan native, Asian or Pacific Islander), the most recent State unemployment rate, the percent employment in manufacturing, and the average earnings in retail trade.
- **Average Wage Rate:** the number of hard to employ trainees, number of female trainees, the number of married trainees, the percent of trainees who receive unemployment compensation, population density by State, the percent of families below poverty by State.

- **Case Closure Rate:** the number of female terminees, the number of terminees who are minorities, the number of terminees who have not been employed in the 12 months prior to E&T assessment, the household size of terminees, the State unemployment rate.

#### *Adjusting National Standards From FY 1992 Through FY 1993*

For the first two years after the implementation of the outcome-based performance standards, October 1991 through September 1993, the Department proposes to adjust the national standards for the entered employment rate, average wage rate, and case closure rate for each State agency to account for differences in economic, geographic, and demographic factors during these periods using a more limited set of factors with data from national sources. The national standards would be adjusted using the following data: entered employment rate—State unemployment rate, percent employment in manufacturing, and average earnings in retail trade; average wage rate—population density per square mile and percent of families below the poverty level; and case closure rate—State unemployment rate.

#### *Adjusting National Standards for FY 1994 and Beyond*

Beginning with FY 1994, the Department proposes to implement the complete adjustment methodology including adjustments for terminnee characteristics as reported by State agencies. Using State reported data from the first year on terminnee characteristics and economic, geographic, and demographic data available from national sources, the Department would reestimate adjustment weights for the entered employment rate, average wage rate, case closure rate, and the educational improvement rate (if sufficient data on educational outcomes have been reported by State agencies). Adjustments made in subsequent fiscal years would follow the same format: data reported by a State agency from the previous fiscal year may be used to estimate a State's standards for the current year, and retrospective adjustments would be determined after the current year data has been submitted. The retrospective adjustments would be considered the final levels of performance expected of the State agency.

State agency reported data from the first year after implementation (October 1991 through September 1992) would be used to reestimate the national weights for the regression models. If data reporting requirements are delayed until

April 1, 1992, reestimated weights would be based on the second half of FY 1992. The Department would announce the FY 1994 national standards and the reestimated weights for the adjustment models in the spring of 1993. At that time, the Department would also release each State agency's final adjusted standards for the three performance measures for the first year of operation of the outcome-based performance measurement system. State agencies may anticipate their adjusted standards for FY 1994 by applying the new weights to the values of the factors in the first year. State agencies are also encouraged to monitor data on the adjustment factors during the fiscal year to judge the effects of external factors on performance. The adjustments made after the close of the fiscal year would be considered the final levels of performance expected of the State agency.

**Model B:** Model B differs from Model A (except for the educational improvement measure) in that there is no standard for each measure by which the State agency's performance would be evaluated. Under Model B, the State agency's performance would be evaluated through a comparison of the treatment and control group's performance for each of the measures. The net difference between the performance of the two groups would be the State agency's overall performance for each measure. Upon testing for statistical significance, the net impact for each measure would result in a finding of a positive effect, no effect or a negative effect. Therefore, the standard for each measure would be the same, i.e., initially, a positive effect or no effect.

For the educational improvement measure, a national standard is being proposed—25 percent of all educational component participants should achieve one of the educational improvements goals. This standard is modeled after the standard proposed under Model A. As under Model A, the State agencies' performance on this measure would be compared to the standard at the close of each fiscal year. Beginning with FY 1994, to promote fairer judgments of State agencies' performance, the national standard for this measure would be adjusted for each State agency to account for the effect on program performance of State differences (assuming there are sufficient data on educational outcomes to support estimation of adjustments).

In addition, the Department would study the data collected under this measure in order to make appropriate

adjustments to the national standard in the future. One such adjustment may be to allow additional credit for State agencies achieving outstanding performance under this measure.

Random assignment to the treatment and control group samples means that easily measured differences between the groups (race, gender, education) and unobservable differences between the two groups would be eliminated. Therefore, the impact of each State agency's E&T program on job entries, hourly wage rates and Food Stamp Program status can be isolated more readily. As a result, the legislative requirement to adjust for differences across States in external factors that may affect performance (participant characteristics, demographics, economic conditions, etc.) is already accounted for in the design of the Model B impact performance standards.

#### **Reporting Requirements**

Implementation of the outcome-based performance measurement system as proposed in both models within this rulemaking would substantially expand reporting requirements for State agencies. For example, State agencies would be evaluated on their performance on at least three measures (four measures, if educational components are part of the State agency's E&T program) instead of the current one measure (persons placed into components). In addition, State agencies would be required to report certain characteristics data and other program information. To capture the expanded data elements that are proposed to be collected, FNS proposes to revise the current Form FNS-583, Employment and Training Program Report. In Model B, revised Form FNS-583 would be supplemented with an annual report.

The Department recognizes that implementing a new data reporting system would be a great effort for State agencies. In determining the data items to be included in the quarterly reporting forms of both models, the Department carefully weighed the merits of a more inclusive list of data items against a more restricted list. A more inclusive list accommodates the need within Model A, for example, to adjust national standards for each State to account for the effects of factors that are out of the control of State and local administrators. This promotes a more equitable system and responds to the provisions in the Hunger Prevention Act of 1988 regarding State-level adjustments. Similarly, in Model B, quarterly data requirements are

proposed to guarantee that State agencies properly implement random assignment and follow-up data collection. This protects the internal validity of each State agency's impact analysis and promotes fairer comparisons of E&T program impacts across State agencies.

Although many State agencies already collect data on some of these items, the new system under either Model A or Model B would be burdensome to many. Fewer data items would lessen this burden. It is the Department's view that the proposed data reporting requirements reflect the appropriate balance between these two concerns. Comments on this issue are invited.

#### *Interim Reporting Requirements*

**Both Models:** State agencies would be required to implement the new outcome standards on October 1, 1991. The Department recognizes that for an initial period, the State agencies would be monitoring and refining their procedures for collecting the required data items and generating the State-level measures required in the new data reporting forms. Rather than detract from this effort, the Department plans to delay implementation of the new reporting requirements until April 1, 1992 and would require State agencies to comply with the requirements of the current Form FNS-583, Employment and Training Program Report, for the period October 1991 through March 1992.

#### *Ongoing Reporting Requirements*

**Model A:** The Department proposes to retain the current quarterly reporting cycle for E&T data, except that State agencies would be allowed 60 days, rather than the current 45 days, to submit the reports after the end of each quarter.

The Department proposes to amend 7 CFR 273.7(c)(6) to require State agencies to report information falling into three categories on a quarterly basis: data on the work registrant population, data on the numbers of E&T trainees and their positive outcomes as proposed to be measured, and characteristics of the E&T trainees that FNS would use to adjust each State agency's performance standards. Like the current reporting format, quarterly data would also be reported cumulatively.

The following is a discussion of the Department's rationale in proposing specific data items to be reported under Model A:

**Work registrant population.** The Department proposes to continue reporting requirements on aspects of the work registrant population. These data provide general information on State

agencies' E&T programs that are of interest to Congress and the public, and the information would be used by the Department for program management purposes, such as calculating the percentage of nonexempt work registrants served by State agencies to determine whether the ten percent breadth of service requirement was met. The Department is proposing to require State agencies to report on a quarterly basis information that is currently required to be reported annually with the fourth quarter report. This information is the number of persons exempted from the E&T program, separated by the type of exemption and the number of persons beginning components, separated by each component offered by the State agency.

State agencies would be required to report the following data on the work registrant population:

- The number of work registered persons in the State on October 1;
- The number of participants who were work registered (i.e., only newly work registered persons or persons work registered 12 months from their last work registration);
- The number of work registrants exempted by the State agency from E&T participation, separated by the specific reasons for the exemptions;
- The number of volunteers who began an E&T component, separated by component;
- The number of E&T mandatory participants who began an E&T component, separated by component; and
- The number of work registrants sent a NOAA for failure to comply with E&T requirements as well as the number of applicants who were denied food stamp certification or recertification for failure to comply with E&T requirements.

Numbers of E&T trainees and positive outcomes. The Department proposes for Model A to require State agencies to report the data items listed below which are grouped by the corresponding performance standard or purpose:

- The number of hard to employ mandatory, the number of not hard to employ mandatory, and the number of voluntary participants who terminated from E&T activity during the quarter—provides the denominator for the entered employment rate, and the food stamp case closure rate;
- The number of total mandatory (hard to employ and otherwise) and voluntary E&T participants who terminated from educational components during the quarter—provides the denominator for the educational improvement rate;

- The total number of mandatory (including hard to employ and otherwise) and voluntary E&T participants who terminated from each of the E&T components (other than education) during the quarter—provides general program information;

- The number of hard to employ mandatory, not hard to employ mandatory, and voluntary trainees who during the quarter entered employment, as defined in 7 CFR 271.2, by the end of the month following the month of termination—provides the numerator for the entered employment rate;

- The aggregated hourly wage rates each quarter of all employed E&T trainees reporting wages and the aggregated hourly wage rates for three groups: not hard to employ mandatory, voluntary, and hard to employ mandatory (two aggregated wage rate numbers would be reported for the hard to employ mandatory group, the aggregated wage rates for all hard to employ trainees and the aggregated wage rates for those whose wages are at or above the Federal minimum wage)—provides the numerator for the average wage rate;

- The total number of employed E&T trainees reporting wages each quarter, including subtotals of three groups of employed E&T trainees: not hard to employ mandatory, voluntary, and those hard to employ mandatory trainees provides the denominator for the average wage rate;

- The total number each quarter of mandatory (hard to employ and otherwise) and voluntary E&T trainees whose food stamp cases were closed by the end of the third month following the month of termination—provides the numerator for the food stamp case closure standard; and

- The number each quarter of mandatory (hard to employ and otherwise) and voluntary E&T trainees who completed 64 hours of educational instruction, the number of mandatory (all inclusive) and voluntary trainees who attain a high school diploma or a GED, and the number of mandatory (all inclusive) and voluntary trainees who met State-defined educational goals—provides the numerator for the educational improvement standard.

Characteristics of E&T trainees. Information on the characteristics of E&T trainees would be used by the Department in Model A to make the proposed regression-based adjustments to each State agency's performance standards (for the entered employment rate, wage rate, and food stamp case closure rate) and to reassess weights for

extra credit for the hard to employ. Therefore, the Department proposes to require State agencies to submit on a quarterly basis the number of E&T terminees with the following characteristics noted at the E&T assessment:

- Receipt of GA benefits;
- Minority (defined as Black (not Hispanic), Hispanic, American Indian or Alaskan native, Asian or Pacific Islander);
- Female;
- Married;
- Receipt of unemployment compensation;
- Unemployed during the 12 months prior to E&T assessment;
- No high school diploma or equivalency at E&T assessment;
- Receipt of food stamp benefits for six out of the last 12 months prior to E&T assessment (not necessarily consecutive);
- Average household size of E&T terminees as of the E&T assessment.

**Time Frames for the Model A Reporting Requirements.** To give State agencies time to design and implement new reporting systems the Department is proposing that the second quarter of FY 1992 (which ends March 31, 1992 with reports due by May 15, 1992) would be the last quarter in which State agencies are required to report information using Form FNS-583. Beginning with the third quarter of FY 1992, which covers the period of April 1 through June 30, 1992, State agencies would report information on a newly designed form which reflects the needs of the outcome-based performance standard system.

State agencies would be required to report the outcomes measured for each participant that terminated in each quarter. Reports would be due the first of the month following 60 days after the end of the quarter. This provides adequate time to report all job entries and hourly wage rates of E&T terminees in the prior quarter and to report the number of terminees who attained education goals in the prior quarter. This does not, however, provide enough time to capture all of the case closure outcomes for the terminees of the prior quarter; the measurement period for case closures is three months after the month of E&T termination. To account for this time lag, the Department proposes to require State agencies to report these outcomes in both the current and the next quarterly report. For example, State agencies would be required to report by March 1 the number of terminees in the prior quarter ending in December and their job entries, wage rates, food stamp case

closures, and educational attainment outcomes. State agencies would also be required to report by June 1 the number of terminees in the quarter ending the previous December who left the Food Stamp Program and were not previously reported because of the time lag.

Fiscal year totals would be available the first of the month following 60 days after the end of the fiscal year for all measures except case closures. The Department considered two options—to wait another two months for final year numbers or to base the case closure measure on terminees during the period of July through June, instead of the Federal fiscal year of October through September. Due to the time delay in assessing State agencies' overall assessment, which in future years may be tied to incentive funding, the Department proposes to use a July through June year for the case closure rate.

The Department considered a reporting system in which State agencies report the outcomes as of the period they occur regardless of when the person terminated from the program. For example, the State agencies would report all terminees for the period January through March and also all outcomes that occurred in that period, many of which would reflect the results for terminees in the prior two quarters. In the aggregate, this approach would produce meaningful measures after State agencies' E&T programs are fully implemented and the pattern of program exit rates and program outcomes are fairly stable. In the interim, however, this approach would produce statistics that would be difficult to interpret. This affects the usefulness of the information for managing the program. It also affects the Department's ability to detect in a timely manner any reporting errors.

A reporting system that links outcomes to the terminees is not more burdensome since linkages are necessary to collect the information. The Department will closely watch the progress of DHHS in the implementation of a sample-based reporting system that will be used for JOBS reporting.

**Model B: Baseline Data Collection.** Baseline data would be collected from all E&T mandatory participants and volunteers who are randomly assigned to either the control group sample or the entire treatment group (from which a sample would be subsequently drawn). The data would be collected at the point food stamp recipients are assigned to the control group sample and the treatment group and include a limited number of items on basic characteristics. This characteristics information would include E&T status as

a volunteer or mandatory; whether the person completed high school or obtained a GED and was employed in the 12 months preceding assignment to the sample; race; gender; whether children were present in the household; and Food Stamp Program status. The characteristics information has several uses. First, it would be used to identify volunteers and the hard to employ whose outcomes are weighted differently than others in the calculation of the outcome measures. Basic characteristics information on race, gender and the presence of children in the household would be used to test whether randomization succeeded in generating treatment and control samples that are representative of the same population. Finally, information on long-term food stamp reciprocity may be used to revise the definition of hard to employ persons in future rulemaking.

In addition to the above required data items, the Department is proposing that State agencies also collect certain information from the individual to allow the State agency to contact the individual during the six-month follow-up month. This information would include the address and telephone number, if any, of the individual and the name, address and telephone number of a contact person who would know the whereabouts of the individual in six months.

**Collection of Follow-up Data on Outcomes.** State agencies would conduct follow-up interviews with control and treatment sample cases six months after random assignment. The State agencies would collect data on job entries, hourly wage rate and Food Stamp Program participation for every member in the control group sample and the treatment group sample (which is drawn from lists of persons assigned to the treatment group in the baseline month). In addition, State agencies would collect data on education outcomes for every member in the treatment group who participated in an education component during the six-month measurement period. It is presumed that State agencies would use food stamp administrative data files to collect information on case closures. State agencies may also use food stamp or E&T case records to obtain information on employment and educational outcomes. However, the Department expects, that in most instances, State agencies would conduct interviews with persons randomly assigned to the appropriate groups to determine employment and educational status as of the follow-up month. Interviews would be conducted through



face-to-face interview, by telephone or by mail. If the State agency is unable to contact an individual or no response is received from an individual by the end of the follow-up month, the State agency would report that individual as nonresponsive. Additional guidelines would be issued on appropriate procedures for conducting interviews and obtaining adequate response rates.

The Department is proposing a single six-month follow-up survey. Studies have shown that it takes an average of three to four months for persons to complete a short-term intervention because of the lags that are inherent in normal processing functions. Therefore, a six-month observation period is sufficient for capturing the effects of programs emphasizing shorter-term components. On the other hand, a six-month follow-up may not be sufficient for capturing the effects of more intensive, long-term components. Studies of programs emphasizing higher cost services suggest that the value of these programs is the long term effects on employment. For example, some studies of these programs show greater increases in earnings in the second year compared to the first year.

The Department rejected the idea of multiple waves of follow-up surveys, which might capture both the short and longer-term effects, as too costly. A single but longer follow-up period would result in unacceptably long reporting lags which affect the usefulness of this system for program planning and budgetary decisions. State agencies may elect to perform more rigorous evaluations.

The following data items would be collected in the follow-up month for persons in the treatment group sample:

- E&T program status: left E&T; participating in E&T; never participated in E&T (no shows and exempted);
- Employment begun anytime between the baseline month and the end of the follow-up month and whether employment is expected to last (or has lasted) 30 days;
- Average hourly wage;
- Food Stamp Program status as of the follow-up month.

The following data items would be collected in the follow-up month for persons in the control group sample:

- Employment begun anytime between the baseline month and the end of the follow-up month and whether employment is expected to last (or has lasted) 30 days;
- Average hourly wage;
- Food Stamp Program status as of the follow-up month.

The following data item would be collected in the follow-up month from persons in the entire treatment group:

- Educational attainment since baseline month.

Impact Analysis of Baseline and Follow-up Data. State agencies would conduct the impact analysis and report these findings along with essential information to support the findings in their annual report at the end of the fiscal year. The report would be due the first of the month following 120 days after the end of the fiscal year and would be based on all baseline and follow-up data collected for the persons randomly assigned to the control and treatment group samples during that fiscal year. The State agencies' reports would show for both the control and treatment group samples the mean values of the three outcome measures (employment, wage rate and Food Stamp Program status) and the results of tests for significant differences between the means. The Department intends to provide more guidance to the State agencies on how the analysis should be conducted and on other related analytic matters.

The Department is concerned about potentially high rates of nonresponse to the six-month follow-up survey. In the national E&T Evaluation, first wave follow-up surveys were completed for only 66 percent of the original sampled individuals. Similar rates of nonresponse were found in the previous Work Registration/Job Search Demonstrations. Three major factors contributed to the nonresponse problem. The greatest problem was locating respondents who turned out to be an extremely mobile population. Once persons were located in the national E&T Evaluation, cooperation with the survey was not a major problem. The mobility of the food stamp population is one of the striking differences with the population served by either JTPA or JOBS. The second problem was limited verification of the addresses obtained during the baseline interviews. The last problem, which adversely affected response rates in particular sites, was the large contingent of homeless individuals in the samples.

If the resulting analytical sample is not representative of the E&T participant universe because of the nonresponse problem, the comparisons would produce biased estimates of the effect of the State agency's E&T program. In the national E&T Evaluation, additional statistical adjustments were developed to account for survey nonresponse using participants' baseline characteristics. In order to judge whether State samples

are representative, State agencies should conduct comparisons of the characteristics of the treatment and control samples in the baseline observation month with respondents in the samples in the follow-up observation month.

If State agencies' analyses show excessively high rates of attrition in the data collection over the six-month period, the Department will examine the implications of using administrative data sources for collecting the follow-up outcome data. The two most readily available sources of data of this sort are State food stamp automated files and Unemployment Insurance (UI) Wage files.

The Department presumes that whenever possible State agencies would rely on their State food stamp files to collect information on household's Food Stamp Program status. Reliance on matches with UI Wage files for capturing employment outcomes in the follow-up period may result in more representative samples for the impact analysis. However, this improvement would require serious tradeoffs on other important dimensions of the performance system. First, there is no alternative to interviews for obtaining outcomes on educational attainments. Therefore, a system relying solely on administrative data would preclude the use of an education outcome measure in the performance standard system. Second, findings based on matches with UI data would aggravate the reporting lag by another six to nine months. Data for households randomly assigned to samples in FY 1993, for example, would not be available for analysis and reporting until the third quarter of FY 1995 (i.e., when follow-up data for the September 1993 cohorts are collected and, ultimately, incorporated into the analysis files). Finally, since wage data are reported for entire quarters, the employment measures would have to be modified accordingly.

There are currently several studies near completion that examine the feasibility of using UI wage data for evaluating the performance of JTPA programs. The Department will continue to monitor the progress of these studies.

**Model B Reporting Requirements.** Implementation of the outcome-based performance measurement system as proposed under Model B would alter the reporting requirements for State agencies. The Department proposes that each State agency would be required to submit two reports. The first report would be submitted on a quarterly basis and would contain monthly work registrant and E&T participant data



(similar to the current Form FNS-583), quarterly aggregate data on education outcomes and quarterly aggregate data on persons randomly assigned to the control group sample and the treatment group sample. Like the current reporting format, data would be reported cumulatively. The second report would be an annual report presenting the results of the State agency's impact analysis of outcome data collected for the treatment and control group samples in the six-month follow-up month. This report would also include data that supports the State agency's analysis and limited information on participation in the E&T program by persons in the treatment group sample.

**Quarterly Reports.** Under the proposed reporting requirements, the State agencies would still be required to collect and report most of the data on work registrants and E&T participants currently being reported via Form FNS-583. This data would provide general information on State's E&T programs that are of interest to Congress and the public, and the information would be used by the Department for program management purposes, such as calculating the percentage of E&T mandatories served by State agencies to determine whether the ten percent breadth of service requirement was met.

For consistency, the Department proposes to require State agencies to report on a quarterly basis information that is currently required to be reported annually with the fourth quarter report. This information is the number of persons exempted from the E&T program, separated by the type of exemption and the number of persons beginning a component, separated by each component offered by the State agency.

For purposes of assessing State agencies' performance based on the job entry, wage rate and Food Stamp status measures, the Department proposes State agencies report aggregate baseline characteristics information and follow-up outcome data for these measures for all persons in the control group sample and in the treatment group sample. These data would be reported for each quarter's sample on a quarterly basis. For the reporting quarter October through December, for example, this includes aggregate baseline characteristics data and outcome data for those persons randomly assigned to the control group sample in the previous April through June quarter. This also includes aggregate baseline characteristics data and outcome data for those persons randomly assigned to the treatment group sample from lists of

persons assigned to the E&T program in the previous April through June quarter.

As part of the quarterly reporting requirements, State agencies would be required to report certain items for three categories of persons in the samples: volunteers, persons who meet the definition of hard to employ, and the remainder, persons who are determined mandatory but do not meet the definition of hard to employ (i.e., not hard to employ E&T mandatories). These items would include the number of persons randomly assigned to the treatment and control group samples and the outcome data for these sample members. It is the Department's view that quarterly reporting of these items for these subgroups is needed to guarantee that State agencies are collecting the necessary information to conduct the impact analysis for the annual report.

For purposes of assessing State agencies' performance based on the education measure, the Department proposes State agencies report quarterly the aggregate number of persons randomly assigned to the entire treatment group who began an educational component and the aggregate number of the subset of this group that met the educational goal by the follow-up month. State agencies would be required to report these data items for two categories of persons in the group: volunteers and mandatory participants.

The Department proposes to amend 7 CFR 273.7(c)(6) to require State agencies to report the following data on the work registrant population:

- The number of work registered persons in the State on October 1;
- For each month, the number of persons work registered (i.e., only newly work registered persons or persons work registered 12 months from their last work registration);
- For each month, the number of work registrants exempted by the State agency from participation in E&T (enumerated by the specific reasons for the exemptions);
- The number of work registrants sent a NOAA for failure to comply with E&T requirements as well as the number of applicants who were denied food stamp certification or recertification for failure to comply with E&T requirements;
- The number of E&T mandatory participants who began an E&T component (as approved by FNS in the State agency's E&T plan);
- The number of voluntary participants who began an E&T component.

The Department proposes to amend 7 CFR 273.7(c)(6) to require State agencies to report for each quarter the following aggregate baseline characteristics information for the treatment and control group samples:

- The number of persons randomly assigned to the treatment or control group samples who are:
  - (1) Volunteers, hard to employ (i.e., E&T mandatory participants who as of the baseline month do not have a high school diploma or equivalency and who have not worked in the 12 months prior to the baseline month) and not hard to employ mandatory E&T participants;
  - (2) White, Black (not Hispanic), Hispanic, other minority;
  - (3) Female;
  - (4) In food stamp households that contain children under eighteen;
- The number of persons identified as receiving food stamps for at least six of the twelve months prior to the baseline month.

The Department proposes to amend 7 CFR 273.7(c)(6) to require State agencies to report the following aggregate outcome data for the same treatment and control group samples:

- The number of persons who met the definition of employment in the follow-up month and who are volunteers, hard to employ and not hard to employ mandatory E&T participants;
- The aggregated hourly wage rates of volunteer, hard to employ and not hard to employ mandatory E&T participants;
- The number of persons with reported wages used to calculate the aggregated hourly wage rate, separated by volunteers, hard to employ and not hard to employ mandatory E&T participants;
- The number of persons whose food stamp case was closed as of the follow-up month, separated by volunteers, hard to employ and not hard to employ mandatory E&T participants.

The Department proposes to amend 7 CFR 273.7(c)(6) to require State agencies that offer an educational component to report the following aggregate data for all persons randomly assigned to the treatment group in a quarter:

- The number of total mandatory (hard to employ and otherwise) and voluntary E&T participants who began an educational component in the six-month measurement period—provides the denominator for the educational improvement rate.
- The number of mandatory (hard to employ and otherwise) and voluntary E&T participants who began an educational component in the six-month measurement period and who met an educational attainment goal by the

follow-up month as measured by completion of 64 hours of educational instruction, completion of high school or receipt of a GED, or the accomplishment of other educational goals as defined in the State E&T plan and approved by FNS—provides the numerator for the education improvement rate.

State agencies would be allowed 60 days after the end of the quarter, rather than the current 45 days, to submit the quarterly reports. This change has been proposed to allow the State agencies more time to compile and reconcile reports from the various reporting locations within the State. It is the Department's view that 60 days would be adequate to accomplish this task.

**Annual Report.** The annual report would present the results of the State agency's impact analysis of outcome data collected for the treatment and control group samples in the six-month follow-up period. State agencies would be required to report data that provide the basis for the determination of whether there is a statistically significant difference in the outcome measures for the control and treatment group samples.

The Department proposes to amend 7 CFR 273.7(c)(6) to require State agencies to report, in the aggregate, the data items listed below for both the sample of persons randomly assigned to the control group during each baseline month and the persons who were assigned to the E&T program during each baseline month and subsequently randomly assigned to the treatment group sample:

- The percentage of the sample members who began employment anytime between the baseline month and the end of the follow-up month;
- Whether the employment rates are different at a five percent level of statistical significance;
- The number of persons in the samples for whom follow-up employment data were obtained;
- The average hourly wage rate of persons employed anytime between the baseline month and the end of the follow-up month;
- Whether the mean wage rates are different at a five percent level of statistical significance;
- The number of persons in the samples for whom follow-up hourly wage rate data were obtained;
- The percentage of sample members in households whose food stamp case was closed by or in the follow-up month;
- Whether the case closure rates are different at a five percent level of statistical significance;

- The number of persons in the samples for whom follow-up food stamp case closure data were obtained.

The State agencies would also be required to collect and report the following management information for persons in the treatment group sample over the fiscal year:

- The percentage of the members of the treatment group sample who did not comply with the initial E&T program requirement (i.e., no shows), who were subsequently excused or exempted from the E&T program, who were no longer participating in the E&T program as of the follow-up month, and who were participating in the E&T program as of the follow-up month.

State agencies would be allowed 120 days after the end of the last follow-up period (April through September for the last baseline month of March) to submit the annual report. A longer time frame has been proposed for the annual report to allow the State agencies sufficient time to complete their analysis of the net effect of the E&T program on the three outcome measures. It is the Department's view that 120 days would be adequate to accomplish this task and still allow enough time for the Department to calculate and release the incentive funding amounts for the coming fiscal year.

State agencies would maintain for a period of three years all data analysis files and related documentation necessary to validate the State agencies' impact analysis findings for each fiscal year.

**Time Frames for the Model B Reporting Requirements.** Under the proposed system, the reporting period for the performance standard system would be the 12-month period of October through September. Data reported in this period would include all baseline and follow-up data for the persons randomly assigned to a control or treatment group status in the preceding period of April through March as part of the food stamp and E&T intake process.

State agencies would begin sampling for the baseline month of April 1992. State agencies would not be required to do random assignment in the period October 1, 1991 to March 31, 1992. This allows a six-month period for the State agencies to implement and test the new performance standard system. The Department is proposing this six-month test period to guarantee the validity of the data generated under the new system. During the six-month test period, the Department proposes that the current reporting requirements remain in effect and the State agencies continue to report via Form FNS-583.

Beginning in the April through June 1992 quarter, State agencies would submit a quarterly report similar to Form FNS-583 but revised to include baseline and outcome data on persons assigned to the sample groups and education data on the relevant subset of the treatment group. For the quarters of April through June and July through September, the State agencies would submit the proposed quarterly report but report only on work registrant data for those quarters. Beginning with the October through December 1992 quarter, the State agencies would submit all data proposed for the quarterly report. This first complete quarterly report would include work registrant data for the October through December period, baseline data for persons assigned to sample groups for the April through June 1992 samples, and outcome data collected in October through December 1992 from the appropriate cohorts assigned the prior April through September period. This report would be the first quarterly report to be used for evaluating State program effects.

The quarterly reports would be due the first of the month following 60 days after the end of the quarter. Below is a schedule showing the report to be used and the due dates of all reports beginning October 1, 1991.

#### REPORTING SCHEDULE

For reporting period	Use	Due
October–December 1991.	Current form FNS-583.	2/15/92
January–March 1992.	Current form FNS-583.	5/15/92
April–June 1992 .....	Proposed quarterly report (work registrant data only).	9/1/92
July–September 1992.	Proposed quarterly report (work registrant data only).	12/1/92
October–December 1992.	Proposed quarterly report (all data).	3/1/93

The proposed annual report would be due the first of the month following 120 days after the end of the last follow-up period. Therefore, the first annual report would be due February 1, 1994 and would include an analysis of outcome data collected from the cohorts of the samples for the April 1992 through March 1993 period. This time frame would allow for the use of FY 1992 performance data (i.e., data from the April 1992 through March 1993 samples) in the computation of FY 1995 incentive funding.

### Assessment of Overall Performance

The Department would like commenters to address the merits of the two proposed systems of combining performance measures to evaluate overall performance of a State agency.

**Model A:** The Department is proposing that Model A have two cutoff points for defining the performance level for each measure. An outstanding score would be any score above the upper cutoff, and an unsatisfactory score would be below the lower cutoff. Both the upper and lower limits would be adjusted using multiple regression analysis for each State agency based on the reported characteristics of its E&T terminees and other economic, geographic, and demographic factors. Scores in between would be deemed satisfactory.

State agencies would receive a score for each of three measures, entered employment rate, average wage rate, and food stamp case closure rate. For each measure, a State agency would receive two points for outstanding performance, one point for satisfactory performance, and zero points for unsatisfactory performance. By adding the scores on the individual measures, the Department would be able to define an overall measure of performance. The overall measure of performance could be used as a basis for qualifying for incentive funding in the future, or in the case of unsatisfactory performance, it could signal the need for corrective action or indicate possible sanctions.

The Department is proposing to grade overall performance by using two points and five points as the lower and upper cutoff points. State agencies with a total score less than two would have performed unsatisfactorily. State agencies scoring from two to four points would be considered satisfactory, and State agencies with five or more points would be outstanding.

**Model B:** Under Model B the Department proposes to measure the success of a program by assessing the positive outcomes the treatment group achieves over the control group. A measure of overall success in achieving nationally established standards would not necessarily equate with eligibility for incentive funding.

To measure overall performance of each State agency, the Department has designed a system which would rate performance on each measure, independently, and then combine them into one composite score.

The Department proposes to establish a point system rating State agency achievement in each of the three measures (four, if a State agency elects

to operate and evaluate an education measure).

If the treatment group achieves a positive outcome that is statistically significant for any of the three evaluation measures, it would be considered a positive effect (+) worth two points. State agencies that achieve a greater positive effect may receive extra credit. For each measure, an average would be taken of all the statistically significant positive effects. State agencies with positive effects that are at or above the average would receive an additional two points. Thus, State agencies that achieve outstanding results would be rewarded for their success with a total of four points per measure.

If there is no statistically significant difference between the outcomes of the treatment and control groups, there would be a null effect (0), worth one point. If the control group actually achieved greater positive outcomes than the treatment group, it would be considered a negative effect (-) and given zero points.

With regards to the education measure, the Department proposes to award two points to State agencies whose score on this measure exceeds the national standard. In addition, an average would be calculated of all State agencies' scores on the educational measure for purposes of distinguishing above and below average performers. State agencies that achieved educational attainment scores above the national average (or above 25 percent if the national average is below 25 percent) would receive an additional two points for outstanding results.

The best score a State agency could achieve based on all four outcome measures would be 16 points. The highest score a State agency could achieve if it did not operate an education component would be twelve points resulting from outstanding positive outcomes (four points each) in the three evaluation measures. If a State agency's E&T program did not achieve any significant positive or negative outcomes, it would receive one point in each of its three measures, resulting in a score of three points. If the State agency operates an education component and exceeds the national standard, its score would be two or four points higher.

The Department is proposing for an initial period that the State standard for each performance measure is a statistically significant finding of no effect or a positive effect. The initial period would include the second half of FY 1992, FY 1993 and FY 1994. The Department intends, however, to propose an increase in the standards to

a statistically significant finding of a positive effect beginning FY 1995. By this time, State agencies' procedures for random assignment and sample selection should have improved enough to guarantee the detection of true program effects. This also provides sufficient time for the State agencies to implement program design changes that would result in more effective E&T programs.

### *Differential Credits for Outcomes of Volunteers and Persons Defined as Hard to Employ*

The Department intends to apply the same differential credits proposed in Model A to the positive outcomes of volunteers and persons defined as hard to employ. The definitions of volunteers and the hard to employ group remain the same although the reference month for establishing volunteer and target group status is the month in which baseline data are collected (in Model A, the reference point is the E&T screening or assessment). To briefly restate the Model A proposal, job entries and educational gains achieved by voluntary participants would receive half credit compared to the same outcomes achieved by mandatory E&T participants. The Department proposes these weights to provide incentives for State agencies to allocate E&T resources to mandatory participants over volunteers.

### Evaluating State Agency Performance

#### *Incentives*

Section 16(h)(7) of the Food Stamp Act of 1977 (as amended) provides that the Secretary of Agriculture shall develop and transmit to the Congress a proposal for modifying the rate of Federal payments to reflect the relative effectiveness of the various State agencies in carrying out their E&T programs. The Department intends to submit this report upon publication of this rule in final form.

Below is a discussion of the Department's proposals under Models A and B for the distribution of incentive funds using State performance data following implementation of the proposed outcome-based performance standard system. However, under both models, the data needed to determine each State agency's share of the incentive funding under the new system would not be available until FY 1994. Therefore, the Department proposes that the current procedures under 7 CFR 273.7(d)(1)(B) for the distribution of incentive funding be followed through FY 1994.

The Department envisions that funding for future fiscal years would be based, in part, upon how well State agencies meet the expected objectives of the performance standard system. State agencies' performance for a given year would be reflected in incentive funds incorporated into their 100 percent grants allocated two fiscal years later. Thus, for example, FY 1995 100 percent funding would be affected by FY 1993 performance. This process is similar to the current performance-based funding system.

**Model A:** To be eligible to receive a portion of the 100 percent Federal \$15 million incentive money, the Department is proposing that State agencies not score unsatisfactorily on any of the performance measures, and achieve at least one outstanding score.

To determine the amount of incentive funding a State agency would receive, the Department would multiply the State agency's overall point score by the number of E&T placements made in the fiscal year. The State agency would then receive a portion of the \$15 million incentive funds based on its score, in proportion to the scores of other eligible State agencies.

**Model B:** To be eligible to receive a portion of the 100 percent Federal \$15 million incentive money, the Department is proposing that a State agency achieve at least two statistically significant positive and no negative scores on the three evaluation measures or achieve at least one statistically significant positive and no negative scores on the three measures and meet or exceed the standard for the education measure. Therefore, State agencies that keep track of educational outcomes in addition to entered employments, wage rates and food stamp case closures have an increased opportunity to achieve eligibility for enhanced funding.

To determine the amount of incentive funding a State agency would receive, the Department would multiply the State agency's composite point score by the number of E&T placements made in the fiscal year. This system would capture the magnitude of the program operated in addition to the degree of success achieved.

An example would be a State agency that achieved a composite point score of four and placed 5,000 persons into E&T components, and another State agency which received four points, but placed 10,000 persons. The first State agency would receive half the credit of the second State agency, i.e., 20,000 versus 40,000. These figures would then be used by the Department to proportionately divide the \$15 million in incentive funds.

### Sanctions

The Food Stamp Act of 1977, as amended, states that the Secretary may impose fiscal sanctions if a State agency does not comply with the performance standards as promulgated by regulation. 7 U.S.C. 2015(d)(4)(M)(ii).

The Department has concerns about the immediate applicability of the level of the standards established in both models through this proposed rulemaking. We recognize the newness of both of the proposed systems and the lack of operational data on which the initial standards would be based. The reporting requirements contained in this proposed rule vary considerably from the current requirements, where State agencies report only process-based information. Thus, the Department plans to proceed cautiously in attaching consequences to State agency performance.

As proposed in this rulemaking, performance data reported in the first year of the new system (FY 1992) would not be used to determine sanctions. This would allow a period during which State agencies can implement changes to their programs and their data management systems. Also, this time would provide FNS with the perspective necessary to properly assess performance.

Although no consequences would be attached to initial performance, the Department does intend to closely monitor the data submitted by State agencies and to evaluate performance against the initial standards. Since the data submitted would be used to derive future standards, the Department would use the initial start-up period to evaluate the reliability of the data reported by State agencies. Reporting problems can be identified and hopefully alleviated. To evaluate State agency performance, the Department would compare each State agency's performance on each measure against the respective adjusted standard (for Model A) or the control group (for Model B, but using the Model A approach for the education measure).

The Department proposes to begin using performance data collected during FY 1993 to determine if fiscal sanctions are warranted. As proposed in this rulemaking, the current provisions for good cause determinations would be retained.

The Department also proposes to continue to sanction State agencies for failure to efficiently and effectively administer the E&T program, as required under 7 CFR 276.1(a)(4). First, the Department proposes to elaborate on the language of 7 CFR 273.7(p)(1) by specifying that failure to efficiently and effectively administer the E&T program

includes failure on the part of a State agency to sanction noncompliant mandatory participants. Also, the Department proposes to revise 7 CFR 273.7(p)(1) to specify that a State agency may be sanctioned for failure or refusal to collect or submit to FNS data needed for the calculation of the State agency's performance standards. This proposal underscores the important role that the data collection efforts by the State agencies would play in establishing outcome-based performance standards. Finally, the revised 7 CFR 273.7(p)(1) would also provide for a State agency to be sanctioned when there is a lack of documentation to substantiate State agency performance or expenditures. This is not a creation of new policy by the Department, but merely an elaboration of the concept of efficient and effective administration, emphasizing the Department's commitment to program integrity.

The Department is also proposing a penalty for a State agency's failure to meet the proposed ten percent breadth of service requirement. The Department would disallow State agency Food Stamp Program administrative funds equivalent to the percentage difference between the ten percent standard and the level of service achieved by the State agency as applied to the State agency's 100 percent Federal E&T allocation for the pertinent year.

### List of Subjects

#### 7 CFR Part 271

Administrative practice and procedure, Food Stamps, Grant programs—social programs.

#### 7 CFR Part 273

Administrative practice and procedure, Aliens, Claims, Food Stamps, Fraud, Grant programs—social programs, Penalties, Reporting and recordkeeping requirements, Social security, Students.

Accordingly, 7 CFR parts 271 and 273 are proposed to be amended by one of the following models:

#### Model A

1. The authority citation for parts 271 and 273 continues to read as follows:

Authority: 7 U.S.C. 2011–2031

### PART 271—GENERAL INFORMATION AND DEFINITIONS

2. § 271.2 is amended by removing the definitions of *Base of Eligibles* and *Placed in an employment and training program*, and by adding the definitions of *Baseline month*, *Employment and training (E&T) terminée*, *Employment*

and training (E&T) volunteer, Entered employment, Hard to employ, and Termination month in alphabetical order to read as follows:

#### § 271.2 Definitions.

*Baseline month* refers to the month in which an eligible E&T participant (mandatory or volunteer) participates in an E&T assessment. Data on such characteristics as sex, race, marital status, household size and receipt of GA and unemployment compensation shall be collected at the time of the E&T assessment.

*Employment and training (E&T) terminee* means a participant who begins employment and training activity and either completes the activity or stops attending for other reasons. Participants who are assigned to E&T but never show up for an activity are not terminees and are not counted in the outcome-based performance measurement system.

*Employment and training (E&T) volunteer* is a participant who shall not be disqualified from the Food Stamp Program for failure to comply with employment and training requirements. Food stamp participants who are exempt from work registration, pursuant to § 273.7(b)(1) (iii) and (v), because they are subject to and participating in title IV of the Social Security Act or Unemployment Insurance employment programs may not be counted as volunteers of a State agency's employment and training program. Food stamp recipients other than those exempted through § 273.7(b)(1) (iii) and (v) may be considered volunteers if they are assessed, referred to an approved food stamp E&T component and tracked through the component by the food stamp E&T program.

*Entered employment*, for purposes of the employment and training performance standards, means work that an E&T terminee has begun by the end of the month following the month of E&T termination, that is unsubsidized by any Federal, State, or local government program as an intended benefit, involves no less than 20 scheduled hours of work a week, and is expected to last at least 30 days.

*Hard to employ* describes an E&T mandatory participant who, as of the E&T assessment, has not completed high school or its equivalent and has not been employed in the 12 months prior to E&T assessment.

*Termination month* means the month in which a participant ends employment and training activity required by the State agency or in which the individual voluntarily participated. If the individual does not complete the activity, termination will be the date the individual last attended or participated in the activity.

#### PART 273—CERTIFICATION OF ELIGIBLE HOUSEHOLDS

##### 3. In § 273.7:

a. Paragraphs (c)(4)(v), (c)(4)(vii) and (c)(4)(viii) are revised;

b. The introductory text of paragraph (c)(6) is revised, paragraphs (c)(6) (i) through (v) are redesignated as paragraphs (c)(6)(i) (A) through (E), respectively, and new introductory text of paragraph (c)(6)(i) is added;

c. Paragraph (c)(7) is redesignated as paragraph (c)(6)(ii) and is revised;

d. The introductory text of paragraph (c)(8) and paragraphs (c)(8)(i) and (c)(8)(ii) are redesignated as introductory text of paragraph (c)(6)(iii) and paragraphs (c)(6)(iii)(A) and (c)(6)(iii)(B), respectively, and the introductory text of paragraph (c)(6)(iii) is revised;

e. A new paragraph (c)(6)(iv) is added;

f. A new paragraph (c)(7) is added;

g. Paragraphs (c)(9), (c)(10), and (c)(11) are redesignated as paragraphs (c)(8), (c)(9), and (c)(10), respectively;

h. Paragraph (d)(1)(i)(B) is revised;

i. A new paragraph (f)(1)(vi) is added;

j. A new sentence is added to the end of paragraph (f)(4)(ii);

k. A new paragraph (f)(4)(v) is added;

l. Paragraph (o) is amended by revising the introductory paragraph, revising paragraphs (o)(1) through (o)(6), and removing paragraphs (o)(7) and (o)(8);

m. The heading of paragraph (p) is revised and new introductory text is added after the heading;

n. Paragraph (p)(1) is amended by adding a new sentence to the end of the paragraph and adding new paragraphs (p)(1)(i) and (p)(1)(ii);

o. Paragraphs (p)(2) and (p)(3) are revised;

The additions and revisions read as follows:

##### § 273.7 Work requirements.

(c) *State agency responsibilities.*

(4) \* \* \*

(v) Information about work registrants and E&T participants, including the following:

(A) The estimated number of newly work registered persons and persons re-registered 12 months from their last work registration for the year;

(B) The estimated number of nonexempt work registrants (i.e., mandatory E&T participants) expected to begin a component;

(C) The estimated number of volunteers expected to begin a component;

(D) The estimated number of notices of adverse action expected to be issued for failure to comply with E&T requirements (including the number of denials of certification expected);

(E) The estimated number of not hard to employ mandatory, hard to employ mandatory, and volunteer terminees from employment and training activities; and

(F) The State agency shall specify in its E&T plan that a minimum of ten percent of its mandatory E&T terminee population will be served on an annual basis.

(vii) The method the State agency will use to guarantee that all work registrants are re-registered every twelve months after initial work registration.

(viii) If a State agency plans to offer education components, as defined in paragraph (f)(1)(vi) of this section, it must specify in the State E&T plan the educational goals or improvements expected of the E&T terminees involved in education components. Acceptable educational improvements that may be counted as positive outcomes toward the education standard are completion of 64 hours of classroom instruction in one or more educational components, attainment of a high school diploma or equivalency (GED), or alternate educational goals as defined in the State E&T plan. The State agency must explain how the alternative educational goals are comparable to the educational gains associated with the completion of 64 classroom hours of instruction or attainment of a GED.

(6) The State agencies shall submit reports to FNS as follows:

(i) Each State agency shall submit quarterly reports (Form FNS-583) to FNS no later than 45 days after the end of each Federal fiscal quarter through and including the quarter ending March 31, 1992. These reports shall contain monthly figures for the number of:

(ii) Through Fiscal Year 1992, State agencies shall submit annually, on their first quarterly report (Form FNS-583),

the number of work registered persons in that State as of October 1 of the new fiscal year.

(iii) Through Fiscal Year 1991, State agencies shall submit annually, on their final quarterly report (Form FNS-583) the following information:

(iv) Effective for the quarter beginning April 1, 1992, the State agencies shall submit quarterly reports to FNS no later than the first of the month following 60 days after the end of each quarter containing information on the work registrant population and other general program information; the number of participants who terminated from E&T and their outcomes as specified in paragraph (o) of this section, and characteristics of E&T terminees. Specific items to be reported on a quarterly basis include:

(A) The number of work registered persons in the State on October 1;

(B) The number of persons work registered (i.e., only newly work registered persons or persons work registered 12 months from their last work registration in accordance with paragraph (a) of this section);

(C) The number of work registrants exempted by the State agency from participation in E&T, separated by the specific reasons for the exemptions;

(D) The number of volunteers who began a component, separated by component;

(E) The number of E&T mandatory participants who began a component, separated by component;

(F) The number of work registrants sent a notice of adverse action for failure to comply with E&T requirements, and the number of applicants who were denied food stamp certification or recertification for failure to comply with an E&T component;

(G) The number of voluntary, hard to employ mandatory, and not hard to employ mandatory terminees from approved E&T components, including those terminees who are Food Stamp Program applicants in State agencies that operate a component for applicants;

(H) The number of E&T participants who terminated from each approved E&T component offered by the State agency;

(I) The number of E&T terminees who by their status as not hard to employ mandatory, hard to employ mandatory, and voluntary participants, entered employment, as defined in § 271.2, by the end of the month following the termination month;

(J) The number of employed E&T terminees reporting wages and their total aggregated hourly wage rates,

including subtotals of the number of mandatory terminees not considered hard to employ who entered employment and their aggregated hourly wage rates, the number of volunteer terminees who entered employment and their aggregated hourly wage rates, and the number of employed mandatory terminees who are considered hard to employ and their aggregated hourly wage rates as well as their aggregated hourly wage rates above the Federal minimum wage;

(K) The number of E&T terminees whose food stamp cases were closed by the end of the third month following the termination month;

(L) The number of E&T terminees who by their status as mandatory (hard to employ and otherwise) or voluntary participants completed 64 hours of education instruction, completed high school or received a GED, and who met other educational goals as defined in the State E&T plan and approved by FNS;

(M) Characteristics of E&T terminees, including but not limited to the number of terminees who, as determined at the E&T assessment: received GA benefits; are minorities (defined as Black (not Hispanic), Hispanic, American Indian, Alaskan native, Asian or Pacific Islander); are female; are married; received unemployment compensation; were unemployed during the 12 months prior to the E&T assessment; did not have a high school diploma or GED prior to the E&T assessment; received food stamp benefits for 6 out of the 12 months prior to the E&T assessment; and

(N) The average household size of all E&T terminees reported pursuant to paragraph (c)(6)(iv)(H) of this section.

(7) The State agencies shall implement an outcome-based performance standards system in accordance with paragraph (o) of this section.

(d) *Federal financial participation.*

(1) *Employment and training grants.*

(i) \* \* \*

(B) The Secretary shall allocate \$15 million of the Federal funds available each fiscal year for unmatched employment and training grants as follows:

(1) Through Fiscal Year 1994, each State agency's share of the \$15 million shall be based on the ratio of the number of E&T mandatories placed (as defined in paragraph (o)(5)(iii) of this section) in a State agency's Food Stamp E&T Program to E&T mandatory participants placed in all State agencies in the calendar year that ends nine months before the beginning of the fiscal year. For example, Fiscal Year 1991 funding shall be based on mandatory

participants placed in Calendar Year 1989.

(2) Beginning in Fiscal Year 1995, a State agency's eligibility for such funding shall be determined in accordance with paragraph (o)(5)(ii) of this section. The amount of funding to be received by a State agency each fiscal year shall be determined by multiplying the overall score a State agency receives on its overall assessment of performance measures by the number of placements into E&T components in a given fiscal year. This number shall be used as a ratio applied to the scores of all other State agencies eligible to receive part of the \$15 million.

(f) *Employment and training programs.* \* \* \*

(1) *Components.* \* \* \*

(vi) Educational programs or activities to improve basic skills of those subject to the program as specified under paragraph (f) of this section. Basic educational skills include reading, writing, mathematics, speaking, listening, and problem solving. Allowable educational activities may include, but are not limited to, high school or equivalent educational programs, remedial education programs to achieve a basic literacy level, instructional programs in English as a second language, and achievement of State-defined educational goals. Only educational components that directly enhance the employability of the participants are allowable. A direct link between the education and job-readiness must be established for a component to be approved.

(4) *Voluntary participation.* \* \* \*

(ii) \* \* \* Persons exempt from work registration through paragraph (b)(1)(iii) or (b)(1)(v) of this section shall not be counted or reported as volunteers toward the State agency's performance level.

(v) All persons considered E&T volunteers for performance standard purposes, as defined at § 271.2, must be assessed, referred to an FNS-approved E&T component activity, and tracked by the Food Stamp E&T Program.

(o) *Performance standards.* The Secretary shall establish performance standards to be implemented by State agencies on October 1, 1991, that shall be measured by employment and education outcomes and shall be based on the degree of success that may be reasonably expected of State agencies



in carrying out employment and training programs.

(1) *Measures of performance.* Under the outcome-based performance standards system effective October 1, 1991, State agencies' employment and training programs shall be evaluated based on the following measures of performance:

(i) *Entered employment rate.* The entered employment rate is defined as the number of E&T trainees who enter employment, as defined in § 271.2, by the end of the month following the termination month as a percentage of all mandatory and voluntary E&T trainees counted during the reporting period. The job entries of three groups of E&T trainees will receive different weights. Job entries of mandatory participants who meet the definition contained in § 271.2 for being hard to employ will be multiplied by a weight of 3, job entries of mandatory participants who are not hard to employ will be multiplied by a weight of 1, and job entries of voluntary participants will be multiplied by a weight of .5. The E&T trainees in the denominator of this equation will be counted equally;

(ii) *Average wage rate.* This outcome measures the hourly wage rates of employed E&T trainees who report wages. The average wage rate shall be calculated by adding the straight-time hourly wages of all employed E&T trainees and dividing by the number of employed mandatory and voluntary trainees reporting wages. State agencies shall receive extra credit equal to .5 of the portion of the hourly wage rates of hard to employ mandatory trainees above the Federal minimum wage, as established by the Fair Labor Standards Amendments of 1989 (Pub. L. 101-157). The hourly wage rates of voluntary and mandatory trainees who are not hard to employ shall be added in the numerator without adjustments. Employed E&T trainees reporting wages in the denominator of this equation shall also be weighted equally. To be counted in this measure, the job for which the trainee is receiving the reported wage must meet the criteria for entered employment defined in § 271.2. If an E&T trainee reports more than one job, the State agency shall count only the wage of the highest paying job;

(iii) *Rate of food stamp case closures.* This outcome is defined as the percentage of E&T mandatory and voluntary trainees whose food stamp cases are closed by the end of the third month following the termination month; and

(iv) *Educational improvement rate.* This outcome is defined as the number of mandatory and voluntary E&T

trainees who achieved educational improvements as a percentage of all mandatory and voluntary E&T trainees who participated in educational activities. This is a subset of the total number of E&T trainees reported by the State agency, as required in paragraph (c)(6)(iv)(I) of this section. Acceptable educational improvements that may be counted as positive outcomes for this measure include:

(A) Completion of no fewer than 64 hours of classroom training in one or more educational components during the fiscal year (hours that may be counted include completion of education components approved by FNS, as specified in paragraph (f)(1)(vi) of this section);

(B) Achievement of a high school diploma or equivalency; or

(C) Achievement of an alternative educational goal as defined by the State agency in its E&T plan and approved by FNS.

(2) *National standards.* The Secretary shall set a minimal level of expected performance for each of the four measures of performance described in paragraph (o)(1) of this section. The minimal level shall be set at the 25th percentile of the scores for each of the performance measures as reported by State agencies in a previous fiscal year. The national standards shall serve as departure points for further adjustments calculated by FNS on a State-by-State basis as described in paragraphs (o)(3)(i) and (3)(ii) of this section.

(i) *Standards for initial period.* For the first two years after implementation of the outcome-based performance standards, October 1, 1991 through September 30, 1993, the annual national standards shall be as follows for each fiscal year:

(A) Entered employment rate—25 percent of all E&T trainees;

(B) Average wage rate—\$4.45 per hour;

(C) Food stamp case closure rate—20 percent of all E&T trainees; and

(D) Educational improvement rate—25 percent of all E&T trainees who participated in educational components.

(ii) *National standards for FY 1994 and beyond.* Beginning with Fiscal Year 1994, the national standards shall be updated at least every other year based on State agency reported performance from the second prior fiscal year. Reported performance from Fiscal Year 1992 (October 1991 through September 1992) or from any part of Fiscal Year 1992, will be used to set the standards for Fiscal Years 1994 and 1995. During Fiscal Year 1993, FNS will notify State agencies in writing of the revised national standards effective for Fiscal

Years 1994 and 1995. During Fiscal Year 1995, FNS will again issue revised national standards that will be effective for Fiscal Years 1996 and 1997; the revised standards shall be based on State agency reported performance from Fiscal Year 1994. For each standard, State agencies will be ranked according to their weighted scores to establish the 25th percentile.

(3) *Adjusting national standards for State variations.* At the close of each fiscal year, FNS will adjust the national standards in effect during the fiscal year for each State agency to account for the effect of State differences on program performance. The adjustments will be based on a statistical analysis of the effects on State agency performance of external factors that vary across States. A State agency's standard will be adjusted by determining the amount by which the State data differs from the national averages for the factors used in the statistical analysis. The retrospective adjustments shall establish the final levels of performance expected of each State agency.

(i) *Adjusting national standards during the initial period.* FNS will adjust for each State agency the national performance standards for the entered employment rate, the average wage rate, and the food stamp case closure rate that are in effect during the initial period from October 1, 1991 through September 30, 1993, as described in paragraph (o)(2)(i) of this section. Two annual adjustments will be made retrospectively to the three national standards using the most recent available data for State-level economic, geographic, and demographic factors. The first adjustment will cover the first 12 months, October 1991 through September 1992; based on these adjustments, FNS will issue final standards for Fiscal Year 1992 for each State agency during Fiscal Year 1993. The second adjustment will cover Fiscal Year 1993; FNS will issue final standards for Fiscal Year 1993 for each State agency during Fiscal Year 1994. The standards will be adjusted as follows:

(A) Entered employment rate—Adjusted for each State's unemployment rate, percent of employment in manufacturing, and average earnings in retail trade;

(B) Average wage rate—Adjusted for each State's population density per square mile and percent of families below the poverty line; and

(C) Food stamp case closure rate—Adjusted for each State's unemployment rate.



(ii) *Adjusting standards for FY 1994 and beyond.* Beginning with the national standards effective for Fiscal Year 1994, as specified in paragraph (c)(2)(ii) of this section, FNS will retrospectively adjust the standards for each State agency using State agency reported data for that fiscal year on the characteristics of E&T terminees, as required in paragraph (c)(6) of this section, as well as economic, demographic, and geographic data that is available to FNS from other sources. During Fiscal Year 1995, FNS will notify State agencies of their final adjusted standards for Fiscal Year 1994. Adjustments made in subsequent fiscal years will follow the same format: data reported by State agencies will be used to adjust their standards retrospectively for that fiscal year; final standards for each fiscal year will be issued in the next fiscal year. The standards, as finally adjusted for each fiscal year, shall be the levels of performance at which State agencies will be held accountable and will be evaluated by FNS for compliance with the performance standard system.

(4) *Assessment of performance.* A State agency's performance for each measure shall be scored at one of three levels—outstanding, satisfactory, or unsatisfactory. Upper and lower cutoff points shall be established by FNS delineating outstanding, satisfactory and unsatisfactory performance for each measure. State agencies shall receive two points for outstanding performance, one point for satisfactory performance and zero points for unsatisfactory performance on each measure. Overall performance shall be assessed by totaling the number of points each State agency receives on the individual measures. State agencies with a total score of five or more points shall have an outstanding overall performance rating. State agencies scoring between two and four points shall receive a performance rating of satisfactory and State agencies with less than two points in total scoring shall receive an unsatisfactory performance rating.

(5) *Incentive funding.* (i) Through Fiscal Year 1994, a State agency shall receive incentive funding, in accordance with paragraph (d)(1)(i)(B)(1) of this section, based on the number of E&T mandatory placements in a Food Stamp E&T Program.

(ii) Beginning Fiscal Year 1995, a State agency shall be eligible for incentive funding if at least one measure received an outstanding score and no measure received an unsatisfactory score. The State agency's share of incentive funding shall be determined by multiplying the overall point score a

State agency receives on its overall assessment of performance measures by the number of placements into E&T components in a given fiscal year, in accordance with paragraph (d)(1)(i)(B)(2) of this section.

(iii) For the purposes of this paragraph, State agencies may consider a person placed in an E&T program if the person commences an E&T component, is assigned to a component but fails to begin that component and is denied certification or is sent a notice of adverse action for the noncompliance. A notice of adverse action sent for noncompliance with work registration, optional workfare, or voluntary quit shall not count as a placement. Assigned persons who have good cause for noncompliance shall not be counted as placed. If the good cause for the noncompliance is temporary (less than 60 days), the person shall be referred again to a component as soon as practicable. If the good cause represents a situation or condition which will continue for 60 days or more, the person shall be considered exempt by the State agency. If a participant reports to a component which involves several months, that individual would be counted as placed in the initial month only. Each time a participant is placed in a different component after having completed a prior component, he/she may be counted as placed. If participation in one type of E&T component is not continuous, the participant may be counted as having been placed more than once in the same component. If an E&T mandatory participant does not comply with E&T requirements, and a notice of adverse action is sent, the person is counted as placed in the month the notice of adverse action is mailed.

(6) *Breadth of service.* Beginning Fiscal Year 1992, each State agency shall be required to serve (i.e., assign to a component) no less than ten percent of the E&T mandatory participants. The rate of service shall be calculated as follows: The total number of E&T mandatory participants and volunteers who began a component as a percentage of the total number of nonexempt work registrants in the State plus the volunteers who began a component, as reported by the State agency in accordance with the quarterly reporting requirements in paragraph (c)(6)(iv) of this section.

(p) *State agency noncompliance with E&T program requirements.* Sanctionable actions for State agency noncompliance with the E&T program requirements of this section shall

include but are not limited to the actions listed below.

(1) \* \* \* Failure to effectively and efficiently administer the program includes:

(i) Failure to sanction mandatory participants for noncompliance and lack of documentation for performance or expenditure data submitted to FNS;

(ii) Failure or refusal to collect or submit to FNS data necessary to provide information for calculation of the State agency's performance standards;

(2) If a State agency fails to meet its established performance goals, FNS shall determine whether there was good cause for the noncompliance. Good cause for State agency noncompliance is specified in § 276.6. Lack of E&T funding at the 100 percent Federal level shall not constitute good cause. If FNS finds that there was not sufficient good cause for the State agency's failure to meet its performance goals, FNS may disallow Federal administrative funds.

(3) Failure to meet the ten percent breadth of service requirement may result in the disallowance of administrative funds. The dollar amount of the funds disallowed shall be calculated in the following manner:

(i) FNS shall calculate the percentage of E&T mandatory participants served by the State agency;

(ii) The percentage difference between the ten percent breadth of service and the level of service achieved by the State agency shall be applied to the State agency's 100 percent Federal E&T allocation for the pertinent year;

(iii) This amount shall be disallowed from the State agency's Food Stamp Program administrative funds as specified in § 276.4(c), except that no formal warning is required. Appeal and administrative review provisions of § 276.1(b) shall apply.

#### Model B

1. The authority citation for parts 271 and 273 continues to read as follows:

Authority: 7 U.S.C. 2011-2031.

#### PART 271—GENERAL INFORMATION AND DEFINITIONS

2. Section 271.2 is amended by adding the definitions of *Baseline month*, *Employment and training (E&T) volunteer*, *Entered employment*, and *Hard to employ* in alphabetical order to read as follows:

##### § 271.2 Definitions.

\* \* \* \* \*  
*Baseline month* refers to the month in which an eligible E&T participant (mandatory or volunteer) is randomly

assigned to the treatment group or the control group sample. Random assignment shall occur at the point the State agency determines which nonexempt persons and volunteers will be selected to participate in an E&T program component. A treatment group member may actually begin participation in the E&T program in a later month. Baseline month data will be collected for all members of the treatment group and the control group sample.

*Employment and training (E&T) volunteer* is a participant who shall not be disqualified from the Food Stamp Program for failure to comply with employment and training requirements. Food stamp participants who are exempt from work registration, pursuant to § 273.7(b)(1) (iii) and (v), because they are subject to and participating in Title IV of the Social Security Act or Unemployment Insurance employment programs may not be counted as volunteers of a State agency's employment and training program. Food stamp recipients other than those exempted through § 273.7(b)(1) (iii) and (v) may be considered volunteers if they are assessed, referred to an approved food stamp E&T component and tracked through the component by the food stamp E&T program.

*Entered employment*, for purposes of the performance standards, means that an individual in the treatment or control group samples began employment anytime between the baseline month and the end of the follow-up month. Employment begun prior to the baseline month shall not be counted. For individuals with multiple jobs between the baseline and follow-up months, only one job per individual shall be counted. The employment must be unsubsidized by any Federal, State, or local government program as an intended benefit, involve no less than 20 scheduled hours of work per week, and has lasted or is expected to last at least 30 days.

*Hard to employ* describes a potential E&T mandatory participant who, as of the determination in the baseline month, has not completed high school or earned an equivalency degree and who has not been employed in the 12 months prior to the baseline month.

## PART 273—CERTIFICATION OF ELIGIBLE HOUSEHOLDS

### 3. In § 273.7:

a. Paragraphs (c)(4)(v), (c)(4)(vii) and (c)(4)(viii) are revised;

b. The introductory text of paragraph (c)(6) is revised, paragraphs (c)(6) (i) through (v) are redesignated as paragraphs (c)(6)(i) (A) through (E), respectively, and new introductory text of paragraph (c)(6)(i) is added;

c. Paragraph (c)(7) is redesignated as paragraph (c)(6)(ii) and is revised;

d. The introductory text of paragraph (c)(8) and paragraphs (c)(8)(i) and (c)(8)(ii) are redesignated as introductory text of (c)(6)(iii) and paragraphs (c)(6)(iii)(A) and (c)(6)(iii)(B), respectively and the introductory text of paragraph (c)(6)(iii) is revised;

e. A new paragraph (c)(6)(iv) is added;

f. A new paragraph (c)(7) is added;

g. Paragraphs (c)(9), (c)(10), and (c)(11) are redesignated as paragraphs (c)(8), (c)(9), and (c)(10), respectively;

h. Paragraph (d)(1)(i)(B) is revised;

i. A new paragraph (f)(1)(vi) is added;

j. A new sentence is added to the end of paragraph (f)(4)(ii);

k. A new paragraph (f)(4)(v) is added;

l. Paragraph (h)(5) is revised;

m. Paragraph (o) is amended by revising the introductory text, revising paragraphs (o)(1) through (o)(5), and removing paragraphs (o)(6) through (o)(8);

n. The heading of paragraph (p) is revised and new introductory text is added after the heading;

o. Paragraph (p)(1) is amended by adding a new sentence to the end of the paragraph and adding new paragraphs (p)(1)(i), (p)(1)(ii), and (p)(1)(iii);

p. Paragraphs (p)(2) and (p)(3) are revised.

The additions and revisions read as follows:

### § 273.7 Work requirements.

(c) *State agency responsibilities.*

(4) \* \* \*

(v) Information about work registrants and E&T participants, including the following:

(A) The estimated number of newly work registered persons and persons re-registered 12 months from their last work registration for the year;

(B) The estimated number of nonexempt work registrants (i.e., mandatory E&T participants) expected to begin a component;

(C) The estimated number of volunteers expected to begin a component; and

(D) The estimated number of notices of adverse action expected to be issued for failure to comply with E&T requirements (include the number of denials of certification expected).

(vii) The method the State agency will use to guarantee that all work registrants are re-registered every twelve months after initial work registration.

(viii) If a State agency plans to offer education components, as defined in paragraph (f)(1)(vi) of this section, it must specify in the State E&T plan the educational goals or improvements expected of the E&T participants involved in education components. Acceptable educational improvements that may be counted as positive outcomes toward the education standard are completion of 64 hours of classroom instruction in one or more educational components, attainment of a high school diploma or equivalency (GED), or alternate educational goals as defined in the State E&T plan. The State agency must explain how the alternative educational goals are comparable to the educational gains associated with the completion of 64 classroom hours of instruction or attainment of a GED.

(6) The State agencies shall submit reports to FNS as follows:

(i) Each State agency shall submit quarterly reports (Form FNS-583) to FNS no later than 60 days after the end of each Federal fiscal quarter through and including the quarter ending March 31, 1992. These reports shall contain monthly figures for the number of:

(ii) Through Fiscal Year 1992, State agencies shall submit annually, on their first quarterly report (Form FNS-583), the number of work registered persons in that State as in October of the new fiscal year.

(iii) Through Fiscal Year 1991, State agencies shall submit annually, on their final quarterly report (Form FNS-583) the following information:

(iv) Effective for the quarter beginning April 1, 1992, each State agency shall submit to FNS a quarterly report of monthly work registrant and E&T participant data, including aggregate baseline and outcome (except education) data on individuals assigned to the treatment and control group samples and outcome data on educational attainment for the treatment group. The State agencies shall also submit to FNS an annual report including the results of an impact analysis of the outcome data collected for the treatment and control group samples, the data that supports the analysis and limited data on participants in the treatment group sample.

(A) The quarterly report shall include outcome (except education) data collected from the treatment and control group samples during each follow-up month in the quarter and outcome data on educational attainment collected from the treatment group during each follow-up month in the quarter, in accordance with paragraphs (o)(1)(v) of this section. The quarterly report shall also include baseline data collected for the baseline month from persons assigned to the treatment or the control group samples in accordance with paragraph (o)(1)(iii) (A) through (C) of this section and work registrant and E&T participant data collected in accordance with paragraph (o)(1)(iv) of this section. The quarterly report shall be submitted no later than the first of the month following 60 days after the end of the reporting period. For the quarters of April through June and July through September 1992, the State agency shall only report work registrant data collected in accordance with paragraph (o)(1)(iv) of this section. For subsequent quarters, the State agencies shall submit all data required by this paragraph.

(B) The annual report shall include the results of an impact analysis of outcome (except education) data collected at the follow-up interview in accordance with paragraph (o)(1)(v) of this section. The annual report shall also include the basis for the determination of whether there is a statistically significant difference in the estimates of the outcome measures for the control and treatment group samples. The first annual report shall be due February 1, 1994 (120 days after the end of the last follow-up month). The report shall include the following data:

(1) The total number of respondents separated by E&T participation status (i.e., currently participating; no longer participating; never participated) for volunteers, hard to employ and not hard to employ mandatory E&T participants;

(2) The total number of responses for each measure of performance separated by quarter and treatment or control group;

(3) The entered employment rate, the average wage rate and the food stamp case closure rate for the treatment and control groups separated by quarter; and

(4) The results of the test for a statistical significant difference at a five percent level for each measure of performance.

(7) The State agencies shall implement an outcome-based performance standards system in accordance with paragraph (o) of this section.

(d) *Federal financial participation.*

(1) *Employment and training grants.*

(i) \* \* \*

(B) The Secretary shall allocate \$15 million of the Federal funds available each fiscal year for unmatched employment and training grants as follows:

(1) Through Fiscal Year 1994, each State agency's share of the \$15 million shall be based on the ratio of the number of E&T mandatories placed (as defined in paragraph (o)(4)(iii) of this section) in a State agency's Food Stamp E&T Program to E&T mandatory participants placed in all States in the calendar year that ends nine months before the beginning of the fiscal year. For example, Fiscal Year 1991 funding shall be based on mandatory participants placed in Calendar Year 1989.

(2) Beginning in Fiscal Year 1995, a State agency's eligibility for such funding shall be determined in accordance with paragraph (o)(4)(ii) of this section. The amount of funding to be received by a State agency each fiscal year shall be determined by multiplying the overall score a State agency receives on its overall assessment of performance measures by the number of placements into E&T components in a given fiscal year. This number shall be used as a ratio applied to the scores of all other State agencies eligible to receive part of the \$15 million.

(f) *Employment and training programs.* \* \* \*

(1) *Components.* \* \* \*

(vi) Educational programs or activities to improve basic skills of those subject to the program as specified under paragraph (f) of this section. Basic educational skills include reading, writing, mathematics, speaking, listening, and problem solving. Allowable educational activities may include, but are not limited to, high school or equivalent educational programs, remedial education programs to achieve a basic literacy level, instructional programs in English as a second language, and achievement of State-defined educational goals. Only educational components that directly enhance the employability of the participants are allowable. A direct link between the education and job readiness must be established for a component to be approved.

(4) *Voluntary participation.* \* \* \*

(ii) \* \* \* Persons exempt from work registration through paragraph (b)(1)(iii) or (b)(1)(v) of this section shall not be counted or reported as volunteers

toward the State agency's performance level.

\* \* \*

(v) All persons considered E&T volunteers for performance standard purposes, as defined at §271.2, must be assessed, referred to an FNS-approved E&T component activity, and tracked by the Food Stamp E&T Program.

\* \* \*

(h) *Ending disqualification.* \* \* \*

(5) Refusal to comply with a State agency (or its designee) assignment as part of an FNS approved employment and training program, including participation in a treatment or control group—compliance with the assignment or an alternative assignment by the State agency, including the provision of all information required from treatment and control group participants.

\* \* \*

(o) *Performance standards.* The Secretary shall establish performance standards to be implemented by State agencies on October 1, 1991, that shall be measured by employment and education outcomes and shall be based on the degree of success that may be reasonably expected of State agencies in carrying out employment and training programs.

(1) *Design of treatment/control data collection.* As part of the outcome-based performance standards system, each State agency shall design and implement a data collection system using randomly assigned treatment and control group samples. Food stamp recipients and applicants shall be randomly assigned to either a treatment group or a control group sample in accordance with paragraph (o)(1)(i) of this section from volunteer and mandatory E&T participants who are selected to participate in an E&T program component such as, but not limited to, job search, job search training, basic adult education, vocational training or workfare. Baseline data shall be collected at the point of assignment (baseline month) to the treatment group or control group sample in accordance with paragraphs (o)(1)(iii) and (iv) of this section. Each State agency shall maintain lists of the households with individuals assigned to the treatment group from which a random sample shall be selected six months later. This shall be the treatment group sample. Follow-up data on outcome measures shall be collected during the month following six months after the baseline month in accordance with paragraph (o)(1)(v) of this section.

(i) *Sampling.*—(A) *Sampling plan.* Each State agency shall develop a

sampling plan which demonstrates the integrity of its sampling procedures for generating the control group sample in the baseline month and the treatment group sample in the follow-up month from the sample frame established in the baseline month. The sampling plan shall be submitted to FNS for approval as part of the State agency's State Plan of Operation in accordance with §272.2(e)(4). In addition, all sampling procedures used by the State agency, including frame composition, construction, and content shall be fully documented and available for review by FNS.

(1) *Content.* The sampling plan shall include a complete description of the frame, the method of sample selection, and methods for estimating characteristics of the population and their sampling errors. The description of the sample frame shall include: source, availability, accuracy, completeness, components, location, form, frequency of updates, deletion of cases not subject to sample, and structure. The description of the methods of sample selection shall include procedures for: estimating the size of the universe population and target populations within this universe, overpull, computation of sampling intervals, generation of random assignment decision tables for identifying sample cases, correcting over- or undersampling, and monitoring random assignment and the resulting samples.

(2) *Criteria.* Sampling plans must meet the following criteria:

(i) Conformance to principles of probability sampling (i.e., each unit in the population shall have a known, nonzero probability of selection, and computational methods of estimation shall lead to a unique estimate for each sample);

(ii) Document methods for estimating characteristics of the population and their sampling errors;

(iii) Contain population estimates with the same or better precision as would be obtained by a simple random sample of the size specified in paragraph (o)(1)(i)(B) of this section;

(iv) Describe all weighting procedures and their effects on data analysis and reporting requirements;

(v) Specify and explain the basis for the sample size chosen by the State agency; and

(vi) Specify and explain the basis for the approximate number of sample cases to be selected each month if other than one-twelfth of the sample size.

(3) *Design.* The state agency shall specify the sampling design in its sampling plan in accordance with paragraph (o)(1)(i)(A) of this section.

(B) *Sample size.*

(1) *Minimum sample size.* The treatment and control group samples shall be representative at the State level of all E&T mandatories, who are selected to participate in an E&T program component, and volunteers. The State agency shall use the chart below to determine the sample size of the treatment and control groups. The size of the sample for each of the two groups shall be determined separately. The samples shall be equal in size.

Average annual No. of E&T eligibles (N)	Minimum annual sample sizes (n)
60,000 or greater	3,400
10,000 to 59,999	$n = 1,000 + [.048(N - 10,000)]$
less than 10,000	1,000

(2) *Unanticipated changes.* Since the planned numbers of persons to be selected for E&T participation must be estimated at the beginning of each fiscal year, unanticipated changes can result in the need for adjustments to the sample size. Recognizing the difficulty of forecasting the level of potential E&T eligibles, State agencies will not be held accountable if the actual number of persons selected to participate in an E&T program component during the random assignment period of April through March is less than 20 percent larger than the estimated universe used to determine sample size. If the actual number of persons selected to participate in an E&T program component (i.e., the actual universe) is more than 20 percent larger than the estimated universe, State agencies will be held accountable for using the larger sample size appropriate for the actual levels.

(3) *Alternative designs.* The sample size determination assumes that State agencies will use a simple random sample design. State agencies interested in obtaining more precise results with more complex sample designs may use an alternative design with FNS approval. To receive FNS approval, proposals for alternative designs must provide population estimates with equivalent or better precision than would be obtained had the State agency reviewed simple random samples of the sizes specified by paragraph (o)(1)(i)(B) of this section.

(C) *Sample selection.* The selection of cases for the outcome-based performance standards system shall be made monthly. Each month the State agency shall select approximately one-twelfth of its required sample using random assignment procedures, unless

FNS has approved other numbers of cases specified in the sampling plan.

(1) *Substitutions.* Once a case has been identified for inclusion in the sample by a predesigned sampling procedure, substitutions are not acceptable. The case must be randomly assigned to either a treatment or control group sample or dropped from the samples if selected in error.

(2) *Corrections.* Excessive undersampling must be corrected during the reporting period. Excessive oversampling may be corrected at the State agency's option. Cases that are dropped from the sample to compensate for oversampling shall be reported as not subject to sampling. Because corrections must not bias the sample results, cases which are dropped to compensate for oversampling must comprise a random subsample of all cases selected. Cases which are added to the sample to compensate for undersampling must be randomly selected from the entire frame in accordance with the procedures specified in paragraphs (o)(1)(i)(B) and (C)(1) of this section. All sample adjustments must be fully documented and available for review by FNS.

(D) *Sample universe.* The sample universe consists of all newly certified or recertified food stamp households that contain at least one work registrant that is nonexempt for the E&T program or a person who meets the definition of a volunteer and that the State agency determines will be assigned to an individual E&T program component or to a sequence or combination of activities (not including screening or assessment). All areas of a State which are not geographically exempt from E&T shall be included in the universe, even if no services are being offered in those areas. State agencies may not exclude any category of eligible E&T participants (such as persons also receiving General Assistance) from the sample universe. For State agencies that plan to serve a larger proportion of a certain group, such as the hard to employ, than their incidence in E&T mandatory population, the sample universe will include this target group as well as all others that will be subject to an E&T program component requirement.

(E) *Sample frames.* The State agency shall guarantee that its sample frame accurately reflects the sample universe. Complete coverage of the sample universe, as defined in paragraph (o)(1)(i)(D) of this section, must be assured so that every household subject to sampling from the universe has an equal or known chance of being selected. The sample frame shall list all

cases who met the description of the universe, as specified in paragraph (o)(1)(i)(D), for the baseline month. For example, the frame for the first baseline month of April 1992 shall list all households containing the volunteers and mandatory E&T participants who are determined subject to an E&T program requirements during the month of April.

(ii) *Random assignment.* The State agency shall randomly assign cases sampled in accordance with paragraph (o)(1)(i) of this section and the State agency's sampling plan as approved by FNS to either the treatment group or the control group sample. Random assignment shall occur at the point an individual is assigned or volunteers to participate in an individual E&T program component or a sequence or combination of activities (not including screening or assessment).

(A) *Treatment group.* Baseline data shall be collected on all individuals assigned to the treatment group in accordance with paragraphs (o)(1)(iii) and (iv) of this section. Beginning with the first follow-up month of October 1992, a sample of cases assigned to the treatment group in the corresponding baseline month of April 1992 shall be randomly assigned to the treatment group sample in accordance with paragraph (o)(1)(i) of this section and the State agency's sampling plan as approved by FNS. Outcome (except education) data shall be collected for individuals assigned to the treatment group sample in accordance with paragraph (o)(1)(v) of this section. Outcome data on educational attainments shall be collected for all individuals in the treatment group who participated in an education component, in accordance with paragraph (o)(1)(v) of this section.

(B) *Control group sample.* Baseline and outcome (except education) data shall be collected from individuals assigned to the control group sample in accordance with paragraphs (o)(1)(iii), (iv), and (v), respectively. Individuals within a household assigned to the control group shall not receive food stamp E&T services on a volunteer basis for a period of six months from assignment to the control group sample nor shall they be assigned to another control group sample in any subsequent period.

(iii) *Collecting baseline data.* The State agency shall collect baseline data for each individual assigned to the treatment group and the control group sample. This data shall be collected for the baseline month and shall be reported in accordance with paragraph

(c)(6)(iv) of this section. The following data shall be collected:

(A) The number of volunteer and mandatory E&T participants selected to participate in an E&T program component;

(B) The number of persons randomly assigned to the treatment group and control group sample who are:

(1) Volunteers; hard to employ (i.e., E&T mandatory participants who in the baseline month do not have a high school diploma or equivalency and who have not worked in the 12 months prior to the assessment); and not hard to employ mandatory E&T participants;

(2) White; Black (not Hispanic);

Hispanic; other minority;

(3) Female;

(4) In households with children under eighteen.

(C) The number of persons identified as receiving food stamps for at least 6 of the 12 months prior to E&T assessment; and

(D) The address, telephone number, if any, of the individual in the treatment group or control group sample, and the name, address and/or telephone number of a nonhousehold member who would know the individual's future whereabouts.

(iv) *Collecting other data.* The State agency shall collect the following data on work registrants and E&T participants on a monthly basis and report this data in accordance with paragraph (c)(6)(iv) of this section:

(A) The number of work registered persons in the State on October 1;

(B) The number of persons work registered (i.e., only newly work registered persons or persons work registered 12 months from their last work registration in accordance with paragraph (a) of this section);

(C) The number of work registrants exempted by the State agency from participation in E&T, separated by the specific reasons for the exemptions;

(D) The number of volunteers who began a component, separated by component;

(E) The number of E&T mandatory participants who began a component, separated by component; and

(F) The number of work registrants sent a NOAA for failure to comply with E&T requirements, and the number of applicants who were denied food stamp certification or recertification for failure to comply with an E&T component.

(v) *Collecting outcome data.* (A) The State agencies shall conduct a follow-up interview with each person in the treatment and control group samples to obtain outcome data. This follow-up interview shall be conducted during the

follow-up month which is the sixth month following the baseline month. For example, the follow-up month for the baseline month of April is October. The interview may be conducted through a face-to-face interview, by telephone or by mail. If the State agency is unable to contact an individual or no response is received from an individual by the end of the follow-up month, the State agency shall report that individual as nonresponsive. The following data shall be collected during the follow-up month and reported in accordance with paragraph (c)(6)(iv) of this section:

(1) *Data collected from persons in the treatment and control group samples.*

(i) The total number of responses for each measure of performance for the treatment and control group samples;

(ii) The number of persons who began employment anytime between the baseline month and the end of the follow-up month, separated by volunteers, hard to employ and not hard to employ mandatory E&T participants;

(iii) The aggregated hourly wage rates of volunteer, hard to employ and not hard to employ mandatory E&T participants;

(iv) The number of persons with reported wages used to calculate the aggregated hourly wage rate, separated by volunteers, hard to employ and not hard to employ mandatory E&T participants;

(v) The number of persons whose households did not receive food stamp benefits for the follow-up month, separated by volunteers, hard to employ and not hard to employ mandatory E&T participants.

(2) *Data collected from persons in the treatment group sample only.* The State agency shall collect data on the E&T participation status of volunteers, hard to employ and not hard to employ mandatory E&T participants separated by those:

(i) Currently participating;

(ii) No longer participating; and

(iii) Never participated.

(3) *Data collected from persons in the treatment group.*

(i) The total number of mandatory (hard to employ and not hard to employ) E&T participants and volunteers who were selected to participate in an educational component in the baseline month and began participation in the educational component in the six-month period between the baseline and follow-up months—provides the denominator for the education improvement rate;

(ii) The total number of mandatory (hard to employ and not hard to employ) E&T participants and volunteers who began an educational component and

who met an educational attainment goal by the follow-up month as measured by completion of 64 hours of educational instruction, completion of high school or receipt of a GED, or the accomplishment of other educational goals as defined in the State E&T plan and approved by FNS—provides the numerator for the education improvement rate.

(B) The State agency may collect and report to FNS additional data that may be used for diagnostic purposes.

(2) *Measures of performance.* Under the outcome-based performance standards system effective October 1, 1991, State agencies' employment and training programs shall be evaluated based on the following measures of performance. Separate rates will be calculated for the treatment and control group samples for the first three measures. The fourth measure will be calculated for the entire treatment group.

(i) *Entered employment rate.* The entered employment rate is defined as the number of persons in the treatment or control group samples who began employment, as defined in §271.2, anytime between the baseline month and the end of the follow-up month divided by the total number of persons assigned to the treatment or control group sample. The job entries (the numerator) of the three categories of E&T participants comprising the treatment and control groups will receive different weights. Job entries of sample members who meet the definition of mandatory participants and the definition contained in §271.2 for being hard to employ will be multiplied by a weight of 3, job entries of sample members who meet the definition of mandatory participants who are not hard to employ will be given a weight of 1, and job entries of volunteer will be weighted by a factor of .5. All persons assigned to the samples (the denominator) shall receive equal weight.

(ii) *Average wage rate.* This outcome measures the hourly wage rates of employed persons in the treatment and control group samples who report wages. The average wage rate shall be calculated by adding the straight-time hourly wages of all employed persons in the treatment and control group samples and dividing by the number of employed persons in the two sample groups who report wages. State agencies shall receive extra credit equal to 50 percent of the portion of the hourly wage rates above the Federal minimum wage, as established by the Fair Labor Standards Amendments of 1989 (Pub. L. 101-157) for persons who meet the definition of mandatory and hard to employ in the treatment and control group samples.

The hourly wage rates of volunteers and persons who meet the definition of mandatory and not hard to employ shall be added in the numerator without adjustments. Employed persons in the treatment and control group samples reporting wages in the denominator of this equation shall also be weighted equally. To be counted in this measure, the employment must meet the criteria for entered employment at §271.2. If a person in the treatment or control group sample reports more than one job, the State agency shall count only the wage of the highest paying job.

(iii) *Food stamp case closure rate.* This outcome is defined as the percentage of persons in the treatment and control group samples whose food stamp case were closed as of the month in which the follow-up interview was conducted.

(iv) *Educational improvement rate.* This outcome is defined as the number of persons in the treatment group who began an educational component and achieved educational improvements as a percentage of all persons in the treatment group who began an educational component. Acceptable educational improvements that may be counted for this measure include:

(A) Completion of no fewer than 64 hours of classroom training in one or more educational components during a 12 month period (hours that may be counted include completion of education components approved by FNS, as specified in paragraph (f)(1)(vi) of this section);

(B) Achievement of a high school diploma or equivalency; or

(C) Achievement of an alternative educational goal as defined by the State agency in its E&T plan and approved by FNS.

(3) *Assessment of performance.* The overall performance of the State agency's E&T program shall be determined through a comparison of the treatment and control groups' performance for the entered employment rate, average wage rate and food stamp case closure rate described in paragraph (o)(2) of this section. The net difference in performance between the two groups shall result in a positive effect, a negative effect or no effect. The educational improvement rate, as described in paragraph (o)(2) of this section, shall be calculated for the entire treatment group which is all persons selected to participate in an E&T component and not randomly assigned to the control group sample in the baseline month.

(i) *Performance standards.* (A) For the initial period, which includes the second half of Fiscal Year 1992, Fiscal Year

1993, and Fiscal Year 1994, the performance standard for the entered employment measure, the average wage measure and the food stamp case closure measure shall be a statistically significant finding of no effect or a positive effect. For the educational improvement measure, the national standard shall be 25 percent of all E&T participants who began an educational component.

(B) Beginning Fiscal Year 1995, the performance standard for the entered employment measure, the average wage measure, and the case closure measure shall be a statistically significant finding of a positive effect. For the educational improvement measure, the national standard shall be 25 percent of all E&T participants who began an educational component.

(ii) *Performance scores.* The performance outcome for each measure shall receive a numerical score.

(A) Statistically significant differences between the estimates of the entered employment rate, average wage rate and the food stamp case closure rate for the treatment and control group samples shall be assigned a numerical score as follows:

(1) A positive effect shall be assigned a numerical score of two points. State agencies that achieve a greater positive effect may receive additional credit. For each measure, an average shall be taken of the statistically significant positive effects achieved by the State agencies. Positive effects that are at or above the average for each measure shall be assigned an additional two points (i.e., a total numerical score of four points);

(2) A result that shows no effect shall be assigned a numerical score of one point;

(3) A negative effect shall be assigned a numerical score of zero points.

(B) Tests for statistically significant differences between the estimates of the entered employment rate, average wage rate and the food stamp case closure rate for the treatment and control group samples shall be at the five percent level.

(C) For the educational improvement measure, rates at or above 25 percent shall be assigned a numerical score of two points. An average shall be taken of all educational improvement rates achieved by the State agencies. Scores at or above the national average or above 25 percent, whichever is higher, shall be assigned an additional two points. Rates below 25 percent shall be assigned a score of zero points.

(D) A composite score shall be determined by adding the numerical scores of each of the four measures.



(4) *Incentive funding.* (i) Through Fiscal Year 1994, a State agency shall receive incentive funding, in accordance with paragraph (d)(1)(i)(B)(7) of this section, based on the number of E&T mandatories placed in a Food Stamp E&T Program.

(ii) Beginning Fiscal Year 1995, a State agency shall be eligible for incentive funding if at least two measures had a statistically significant positive effect and no measure had a statistically significant negative effect or if at least one measure had a statistically significant positive effect, no measure had a statistically significant negative effect and the standard for the education measure is met or exceeded. The State agency's share of incentive funding shall be determined by multiplying the composite score a State agency receives, in accordance with paragraph (o)(3)(ii)(C) of this section, by the number of placements into E&T components in a given fiscal year, in accordance with paragraph (d)(1)(i)(B)(2) of this section.

(iii) For the purposes of this paragraph, State agencies may consider a person placed in an E&T program if the person commences an E&T component, is assigned to a component but fails to begin that component and is denied certification or is sent a notice of adverse action for the noncompliance. A notice of adverse action sent for noncompliance with work registration, optional workfare, or voluntary quit shall not count as a placement. Assigned persons who have good cause for noncompliance shall not be counted as placed. If the good cause for the noncompliance is temporary (less than 60 days), the person shall be referred again to a component as soon as practicable. If the good cause represents a situation or condition which will continue for 60 days or more, the person shall be considered exempt by the State agency. If a participant reports to a

component which involves several months, that individual would be counted as placed in the initial month only. Each time a participant is placed in a different component after having completed a prior component, he/she may be counted as placed. If participation in one type of E&T component is not continuous; the participant may be counted as having been placed more than once in the same component. If an E&T mandatory participant does not comply with E&T requirements, and a notice of adverse action is sent, the person is counted as placed in the month the notice of adverse action is mailed.

(5) *Breadth of service.* Beginning Fiscal Year 1992, each State agency shall be required to serve no less than ten percent of the E&T mandatory participants. The rate of service shall be calculated as follows: the total number of E&T mandatory participants and volunteers who began a component as a percentage of the total number of nonexempt work registrants in the State plus volunteers who began a component, as reported by the State agency in accordance with the quarterly reporting requirements in paragraph (c)(6)(iv) of this section.

(p) *State agency noncompliance with E&T program requirements.* Sanctionable actions for State agency noncompliance with the E&T program requirements of this section shall include but are not limited to the actions listed below.

(1) \* \* \* Failure to effectively and efficiently administer the program includes:

(i) Failure to sanction mandatory participants for noncompliance and lack of documentation for performance or expenditure data submitted to FNS;

(ii) Failure or refusal to collect or submit to FNS data necessary to provide information for calculation of the State agency's performance standards and to

provide information on the impact analysis for assessing the State agency's performance;

(iii) Failure or refusal by the State agency to properly sample and/or randomly assign individuals to a treatment group sample or control group sample in accordance with paragraphs (o)(1)(i) and (ii) of this section.

(2) If a State agency's performance was unsatisfactory (i.e., two or three measures show a statistically significant negative effect), FNS shall determine whether there was good cause for the noncompliance. Good cause for State agency noncompliance is specified in § 276.6. Lack of E&T funding at the 100 percent Federal level shall not constitute good cause. If FNS finds that there was not sufficient good cause for the State agency's unsatisfactory performance, FNS may disallow Federal administrative funds.

(3) Failure to meet the ten percent breadth of service requirement may result in the disallowance of administrative funds. The dollar amount of the funds disallowed shall be calculated in the following manner:

(i) FNS shall calculate the percentage of E&T mandatory participants served by the State agency.

(ii) The percentage difference between the ten percent breadth of service and the level of service achieved by the State agency shall be applied to the State agency's 100 percent Federal E&T allocation for the pertinent year;

(iii) This amount shall be disallowed from the State agency's Food Stamp Program administrative funds as specified in § 276.4(c), except that no formal warning is required. Appeal and administrative review provisions of § 276.1(b) shall apply.

Dated: August 22, 1991.

Betty Jo Nelsen,  
Administrator, Food and Nutrition Service  
[FR Doc. 91-20596 Filed 8-29-91; 8:45 am]

BILLING CODE 3410-30-M



**42 CFR Parts 412 and 413**

---

**Friday  
August 30, 1991**

---

**Part IV**

**Department of  
Health and Human  
Services**

---

**Health Care Financing Administration**

---

**42 CFR Parts 412 and 413  
Medicare Program; Changes to the  
Inpatient Hospital Prospective Payment  
System and Fiscal Year 1992 Rates; Final  
Rule**

**DEPARTMENT OF HEALTH AND HUMAN SERVICES****Health Care Financing Administration****42 CFR Parts 412 and 413****[BPD-711-F]****RIN 0938-AE90****Medicare Program; Changes to the Inpatient Hospital Prospective Payment System and Fiscal Year 1992 Rates****AGENCY:** Health Care Financing Administration (HCFA), HHS.**ACTION:** Final rule.

**SUMMARY:** We are revising the Medicare inpatient hospital prospective payment system to implement necessary changes arising from legislation and our continuing experience with the system. In addition, in the addendum to this final rule, we are describing changes in the amounts and factors necessary to determine prospective payment rates for Medicare inpatient hospital services. We are also setting forth the new target rate percentages for determining rate-of-increase limits for hospitals and hospital units excluded from the prospective payment system.

This final rule also responds to the comments we received concerning changes to hospital payments made in a January 7, 1991 final rule with comment. These changes include midyear changes to the inpatient hospital prospective payment system that implemented several provisions of section 4002 of the Omnibus Budget Reconciliation Act of 1990.

In addition, this final rule responds to comments received concerning changes in the procedures and criteria of the Medicare Geographic Classification Review Board (MGCRRB) that were set forth in a June 4, 1991, final rule with comment period.

**EFFECTIVE DATE:** The provisions of this final rule are effective on October 1, 1991.

**FOR FURTHER INFORMATION CONTACT:** Barbara Wynn, (301) 966-4529.

**ADDRESSES:** To order copies of the Federal Register containing this document, send your request to the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402-9325. Specify the date of the issue requested and enclose a check payable to the Superintendent of Documents, or enclose your Visa or Master Card number and expiration date. Credit card orders can also be placed by calling the order desk at (202) 783-3238 or by faxing to (202) 275-6802.

The cost for each copy (in paper or microfiche form) is \$1.50. When requesting copies of the Federal Register document please refer to stock number 069-001-00034-3. In addition, you may view and photocopy the Federal Register document at most libraries designated as U.S. Government Depository Libraries and at many other public and academic libraries that receive the Federal Register. Ask the order desk operator for the location of the Government Depository Library nearest to you.

**SUPPLEMENTARY INFORMATION:****I. Background****A. Summary**

Under section 1886(d) of the Social Security Act (the Act), a system of payment for acute inpatient hospital stays under Medicare Part A (Hospital Insurance) based on prospectively-set rates was established effective with hospital cost reporting periods beginning on or after October 1, 1983. Under this system, Medicare payment is made at a predetermined, specific rate for each hospital discharge. All discharges are classified according to a list of diagnosis-related groups (DRGs). The regulations governing the inpatient hospital prospective payment system are located in 42 CFR part 412.

**B. Summary of January 7, 1991 Notice and Final Rule With Comment Period**

On September 4, 1990, we published a final rule (55 FR 35990) to implement the prospective payment system for Federal fiscal year (FY) 1991. After publication of the September 4, 1990 final rule, two pieces of legislation that affected payment for hospitals were enacted. These are the Continuing Resolution of October 1, 1990 (Pub. L. 101-403) and the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101-508), enacted October 1, 1990 and November 5, 1990, respectively.

On January 7, 1991, we published two documents in the Federal Register in response to these public laws. A notice entitled Legislative Changes Concerning Payment to Hospitals for Federal Fiscal Year 1991 (56 FR 562) announced the provisions of section 115 of Public Law 101-403 and sections 4001(a) and (c), 4002(e) and (f), 4007, 4151, and 4158 of Public Law 101-508 that were self-implementing and were effective before January 1, 1991. That notice announced the following changes in payment under the prospective payment system:

- The regional floor provision was extended through discharges occurring on or before September 30, 1993. A budget neutrality adjustment factor of

.99819 for the regional floor provision was applied to the payment rates that were effective October 1, 1990 through October 20, 1990. Effective October 21, 1990, the regional floor provision was no longer subject to budget neutrality.

- The offset for physician assistant services was eliminated. This provision would have allowed the Secretary to reduce DRG payments for services performed by physician assistants in the part of the hospital that is subject to the prospective payment system.

- A freeze was applied in the level of Medicare Part A payments and in the level of payment for graduate medical education per resident for the period October 21, 1990 through December 31, 1990. The market basket percentage increase applicable to prospective payment hospitals was deemed to be 0 percent for discharges occurring on or after October 20, 1990 and before January 1, 1991. The hospital-specific rate applicable to sole community hospitals and Medicare-dependent, small rural hospitals was reduced to remove the market basket percentage increase reflected in the hospital-specific rate applicable to discharges during this period. For hospitals excluded from the prospective payment system, the market basket percentage increase was deemed to be 0 percent for the portion of cost reporting periods occurring during the period October 21, 1990 through December 31, 1990. The percentage change in the Consumer Price Index for All Urban Consumers that is applicable to graduate medical education (GME) per resident amounts was deemed to be 0 percent for the payment of Medicare inpatient GME costs for the portion of cost reporting periods occurring during the period October 21, 1990 through December 31, 1990.

- The use of the area wage index applicable to prospective payment hospitals that was in effect on September 30, 1990 was extended to discharges occurring on or after October 1, 1990 through December 31, 1990.

Also on January 7, 1991, we published a final rule with comment period, Mid-Year FY 1991 Changes to the Inpatient Hospital Prospective Payment System (56 FR 568), to implement several provisions of section 4002 of Public Law 101-508 that affect Medicare payment for inpatient hospital services and that took effect with discharges occurring on or after January 1, 1991. That final rule with comment period implemented the following legislative changes to the inpatient hospital prospective payment system:

- The percentage increase in the standardized amounts applicable to rural hospitals for discharges occurring on or after January 1, 1991 and before October 1, 1991 is the market basket percentage increase minus 0.7 percentage points (that is, 4.5 percent). The percentage increase in the average standardized amounts applicable to large urban hospitals and other urban hospitals for the same period is equal to the market basket percentage increase minus 2.0 percentage points (that is, 3.2 percent).

- For discharges occurring on or after January 1, 1991 and before October 1, 1993, the hospital wage index will be based solely on the 1988 hospital wage survey data with no phase-in period. Therefore, the 1-year phase-in of the updated wage index that would have limited the percentage change in a wage index value to 8 percent plus 50 percent of the difference between the 8 percent threshold and the new wage index value was eliminated. In addition, we incorporated all corrections of wage data that had been identified since publication of the September 4, 1990 final rule.

- The methodology under section 1886(d)(8)(C) for determining the wage index applicable to rural counties whose hospitals are treated as urban under sections 1886(d)(8)(B) or (d)(10) of the Act was revised. Effective for discharges occurring on or after January 1, 1991, if including the wage data for the redesignated hospitals reduces the wage index value for an urban area by more than one percentage point, the wage index value for that urban area is to be calculated and applied separately to hospitals located in that urban area (excluding the redesignated hospitals). In lieu of a county-specific wage index value, the hospitals that are redesignated are to use the wage index value of the MSA that results from including the wage data of the redesignated hospitals in the determination. The wage index value for the redesignated hospitals cannot be less than the Statewide rural wage index value. The revised methodology has already been applied to hospital reclassifications under section 1886(d)(8)(B) of the Act and is applicable to reclassifications under section 1886(d)(10) of the Act that are effective with discharges occurring on or after October 1, 1991.

- The sunset provision that would have ended all adjustments to hospitals that serve a disproportionate share of low income patients effective October 1, 1995 was repealed. In addition, the disproportionate share payments

applicable to certain hospitals were increased as follows:

- For discharges occurring on or after January 1, 1991 and before October 1, 1993, urban hospitals with 100 or more beds and rural hospitals with 500 or more beds that have a disproportionate patient percentage greater than 20.2 percent will receive 5.62 percent plus 70 percent of the difference between the hospital's disproportionate patient percentage and 20.2 percent. For discharges occurring on or after October 1, 1993 and before October 1, 1994, these hospitals will receive 5.88 percent plus 80 percent of the difference between the hospital's disproportionate patient percentage and 20.2 percent. Effective with discharges occurring on or after October 1, 1994, these hospitals will receive 5.88 percent plus 82.5 percent of the difference between the hospital's disproportionate patient percentage and 20.2 percent.
- For urban hospitals with 100 or more beds or rural hospitals with 500 or more beds and a disproportionate patient percentage of 20.2 percent or less, the hospital's disproportionate share adjustment will be increased to 2.5 percent plus 65 percent of the difference between its disproportionate share patient percentage and 15 percent effective with discharges occurring on or after October 1, 1993.
- The disproportionate share adjustment for urban hospitals with 100 or more beds receiving more than 30 percent of net inpatient revenues from State and local government sources for the care of indigent patients will be increased from 30 to 35 percent for discharges occurring on or after October 1, 1991.

(The standardized amounts were not restandardized to take into account the effect of these additional payments to disproportionate share hospitals.)

The comment period for the January 7, 1991 final rule with comment period ended on March 8, 1991. We received two comments in response to that document. Both comments concern the interaction of the Medicare Geographic Classification Review Board (MGCRCB) and changes to the hospital wage index, which was not an issue raised in the January 7, 1991 document. Therefore, we are not responding to these comments here. However, we are responding to these comments below in section II of this preamble, in the comments and responses to the June 4, 1991 final rule with comment concerning the MGCRCB.

### *C. Summary of the Provisions of the June 3, 1991 Proposed Rule*

On June 3, 1991, we published a proposed rule in the *Federal Register* (56 FR 25178) to further amend the prospective payment system as follows:

- We proposed changes for FY 1992 DRG classifications and weighting factors as required by section 1886(d)(4)(C) of the Act. This section requires that we adjust the DRG classifications and relative weights at least annually.

- We proposed a revised wage index for discharges occurring on or after October 1, 1991 that incorporated all reclassifications of hospitals based on decisions made by the Medicare Geographic Classification Review Board (MGCRCB) as of March 30, 1991. The proposed wage index also incorporated all corrections of errors that have been identified in the survey wage data since the construction of the wage index implemented in the January 7, 1991 final rule (56 FR 568).

- We discussed several current provisions of the regulations in 42 CFR parts 412 and 413 and set forth certain proposed changes concerning:

- Payment for hemophilia blood clotting factor.
- Retroactive adjustments for provisionally excluded rehabilitation hospitals and units.
- Outlier payments.
- Rural referral center criteria.
- Indirect medical education costs.
- Ceiling on rate of hospital cost increases.
- Direct graduate medical education payments.
- Funding of depreciation (We note that, although our proposed changes concerning funding of depreciation were set forth in the June 3, 1991, proposed rule, we are not addressing comments received on this issue in this final rule. Instead, in order to provide the reader with a more complete contextual basis for reviewing the funded depreciation policy, we are addressing the comments on funded depreciation in the final rule setting forth a prospective payment system for capital-related costs, published elsewhere in this issue of the *Federal Register*.)

- In the addendum to the proposed rule, we set forth changes to the amounts and factors for determining the FY 1992 prospective payment rates. We also proposed new target rate percentages for determining the rate-of-increase limits for cost reporting periods beginning in FY 1992 for hospitals and

hospital units excluded from the prospective payment system.

- In appendix A of the proposed rule, we set forth an analysis of the impact that the changes described in the proposed rule would have on affected entities.

- In appendix B of the proposed rule, we set forth our initial estimate of an update factor for FY 1992 for both prospective payment hospitals and hospitals excluded from the prospective payment system, as required by section 1886(e)(3)(B) of the Act.

- In appendix B of the proposed rule, we provided our recommendation of the appropriate percentage change for FY 1992, as required by sections 1886(e)(4) and (e)(5) of the Act, for the following:

- Large urban, other urban, and rural average standardized amounts for hospital inpatient services paid for under the prospective payment system.
- Hospital-specific rates applicable to sole community hospitals and Medicare-dependent small, rural hospitals.
- Target rate-of-increase limits on the allowable operating costs of hospital inpatient services furnished by hospitals and hospital units excluded from the prospective payment system.

In addition, we discussed in detail in the proposed rule the March 1, 1990 recommendations made by the Prospective Payment Assessment Commission (ProPAC). ProPAC is directed by the provisions of section 1886(e)(2)(A) of the Act to make recommendations on the appropriate percentage change factor to be used in updating the average standardized amounts beginning with FY 1986 and thereafter. In addition, section 1886(e)(2)(B) of the Act, as added by section 4002(g) of Public Law 101-508, directs ProPAC to make recommendations regarding changes in each of the Medicare payment policies under which payments to an institution are prospectively determined. In particular, the recommendations relating to the inpatient hospital prospective payment system are to include recommendations concerning the number of DRGs used to classify patients, adjustments to the DRGs to reflect severity of illness, and changes in the methods under which hospitals are paid for capital-related costs. As set forth in section 1886(e)(3)(A) of the Act, the recommendations required of ProPAC under sections 1886(e)(2)(A) and (B) of the Act are to be reported to Congress not later than March 1 of each year.

We printed ProPAC's March 1, 1991 report, which includes its

recommendations, as Appendix D of the proposed rule. The recommendations, and the actions we proposed to take with regard to them (when an action is recommended), were discussed in detail in the appropriate sections of the preamble or the appendixes of the proposed rule.

Set forth below in sections III, IV, and V of this preamble, the addendum to this final rule, and the appendixes are detailed discussions of the June 3, 1991 proposed rule, the public comments received in response to that proposal, and the responses to those comments as well as any changes we will be making.

#### *D. Number and Types of Public Comments Received in Response to the June 3, 1991 Proposed Rule*

A total of 373 items of correspondence containing comments on the June 3, 1991 proposed rule were received timely. Approximately 75 percent of the letters we received were protesting the inappropriateness of the current DRG classification and relative weight for the replacement of automatic implantable cardioverter defibrillators. Of the remaining letters, the main areas of concern addressed by commenters were the following:

- The effects of the geographic reclassification of hospitals on the FY 1992 wage index and payments to urban hospitals.
- The rate of increase in the market basket and the update to the standardized amounts.
- The proposed revisions to rate-of-increase limits for hospitals and units excluded from the prospective payment system.
- Other requests for changes in DRG classification and relative weights.

## **II. Summary of June 4, 1991 Final Rule with Comment Period and Discussion of Public Comments**

### *A. Background*

On June 4, 1991, we published a final rule with comment period (56 FR 25458) setting forth the procedures and criteria to be used by the MGCRB in issuing its decisions concerning the geographic reclassification of hospitals. That final rule responded to public comments on the September 6, 1990 interim final rule (55 FR 36754) on the geographic classification of hospitals. In addition, the June 4, 1991 document implemented provisions of the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101-508, enacted on November 5, 1990) concerning the MGCRB. The June 4, 1991 final rule with comment period made the following changes to the September 6, 1990 interim final rule:

- The definition of a sole community hospital (SCH) was revised to state that a hospital located in either a large urban area or an other urban area can qualify for SCH status if it is located more than 35 road miles from the nearest like hospital. However, if a hospital's status as a rural referral center (RRC), sole community hospital, or a Medicare-dependent small rural hospital (MDH) is dependent upon its being located in a rural area, it will lose its special status if it qualifies for reclassification to an urban area for its standardized amount.

- Beginning October 1, 1991, for applications for geographic reclassification that will be effective in FY 1993, all hospitals in a county located in an urban area can apply jointly for reclassification to another urban area.

- Changes were made in the MGCRB and administrative review procedures, including the addition of review of an MGCRB decision on the motion of the Administrator.

- Because hospitals could not know at the time they submitted applications for geographic reclassification to the MGCRB on how their wage index values would be computed under section 1886(d)(8)(C) of the Act as amended by section 4005(h)(1)(A)(ii) of Public Law 101-508, hospitals were allowed to withdraw their applications even though an MGCRB decision had been made. A request for withdrawal of an application after issuance of an MGCRB decision was permitted only for a FY 1992 application, provided that the request for withdrawal was received within 60 days of publication of the June 4, 1991 final rule with comment period, that is, by August 5, 1991. We also added § 412.273, which provides that for application periods subsequent to the FY 1992 application period, a hospital or group of hospitals may withdraw its application at any time before the MGCRB issues a decision.

### *B. Discussion of Public Comments Concerning the June 4, 1991 Final Rule*

We received 28 letters in response to the June 4, 1991 final rule with comment period. Most of the commenters addressed the impact of geographic reclassification on payments to hospitals. Comments and responses concerning the effects of reclassifications on the calculation of the wage index are discussed in section IV of this final rule. Other comments on the June 4, 1991 final rule with comment period are discussed below. We are responding in this section to comments that we received concerning discretionary review by the Administrator of MGCRB decisions.

Although only indirectly related to the changes that we made in the June 4, 1991 final rule, we are also responding to comments concerning the effect of reclassification on a hospital's status as a rural referral center or sole community hospital and issues raised concerning the timetable for reclassification requests and withdrawals in relation to the proposed and final notices of the prospective payment rates that will be applicable to the fiscal year for which reclassification is requested. We believe these comments concern issues that warrant further clarification. We received no comments regarding the guidelines for urban to urban group reclassifications.

*Comment:* One commenter asserted that the June 4, 1991 final rule with comment period is procedurally flawed and therefore invalid because the procedures for discretionary review by the Administrator of MGCRB decisions were published in final without the opportunity for notice and comment, as required by the Administrative Procedure Act (APA). (See 5 U.S.C. 500 through 553.)

*Response:* As noted in the June 4, 1991 final rule with comment period (56 FR 25460), section 1886(d)(10)(C)(iii)(II) of the Act provides explicit authority for the review of an MGCRB decision on the motion of the Secretary. Ordinarily, we would have implemented this authority through a notice of proposed rulemaking to afford a period for public comment. However, this procedure may be waived when the agency finds that notice and public comment procedures are impracticable, unnecessary, or contrary to the public interest. Furthermore, section 4207(j) of Public Law 101-508 permits a waiver of the notice of proposed rulemaking when necessary to implement the provisions of Title VI of that law, which includes the provision in question.

We found it to be necessary and in the public interest to waive the notice of proposed rulemaking since it was the only way we could properly implement this administrative review scheme for Federal FY 1992. Advance notice of rulemaking would have undermined the statutory objective. The MGCRB faced a statutory deadline of March 30, 1991 for issuing decisions on hospital reclassifications for FY 1992. If hospitals were to receive the benefits of reclassification for that fiscal year, it was vital to have procedures and Administrator review procedures so that applications could be processed in a fair and timely manner. Timely adjudication was also essential to ensure that the budget neutrality requirement imposed

by Congress in section 1886(d)(6) of the Act would be met for Federal FY 1992 prospective payment system rates. Thus, we believe that a waiver of the notice of proposed rulemaking and prior public comment procedures in order to implement the procedures for discretionary review of MGCRB decisions by the Administrator was necessary and justified.

*Comment:* One commenter stated that the regulations at § 412.278 do not conform with the statute because the statute does not support an open-ended time period for the Administrator to "appeal" a decision of the MGCRB. The commenter believes that section 1886(d)(10)(C)(iii)(II) of the Act requires that any further consideration of a decision issued by the MGCRB can be based only on an appeal of such decision and that the regulations should establish a deadline by which the Administrator must provide notice of intent to appeal an MGCRB decision. Another commenter, noting the importance of the time factor in the MGCRB decisionmaking and review process, recommended that the Administrator be required to notify a hospital of his or her "intent to review" within 15 days from the date of the MGCRB's decision. Finally, the first commenter believes that HCFA has created a "regulatory scheme" that delays the effectiveness of MGCRB decisions for 105 days in all cases.

*Response:* We first want to clarify that the Administrator's right to review MGCRB decisions on a discretionary basis is not an "appeal right." Section 4002(h)(2)(B)(iv) of Public Law 101-508 amended section 1886(d)(10)(C)(iii)(II) of the Act to require that MGCRB decisions be subject to section 557(b) of the Administrative Procedure Act (APA) (5 U.S.C. 557(b)), which defines the decisional relationship between the agency head and the officers making the initial decision. Consistent with section 557(b) of the APA, a decision of the MGCRB will be the final agency decision unless the hospital makes an appeal or the Administrator decides to review the decision on his or her own motion. This procedure is similar to the discretionary review procedure provided under 42 CFR 405.1875 for decisions issued by the Provider Reimbursement Review Board (PRRB). The time limits provided in the regulations take into account that the Administrator is the final authority on MGCRB decisions, not a party to the MGCRB proceedings.

We recognize the need for establishing time limits for both MGCRB proceedings and the Administrator's

review. This is necessary to meet statutory deadlines and to ensure that all reclassifications are final in time for determining the revised wage index values, revised standardized amounts and the budget neutrality adjustment for the upcoming Federal fiscal year. For that reason, we established the 105-day time period for the Administrator's review of MGCRB decisions. As we noted in the preamble to the June 4, 1991 final rule (56 FR 25467), the statute does not prescribe a period for the Administrator to issue decisions on cases reviewed at his or her discretion. However, we required that the Administrator's decision be issued within 105 days of the MGCRB decision to ensure that these cases are decided within a time period identical to those decided on appeal. (The time period for decisions that are appealed consists of the 15 days in which the hospital may appeal the decision to the Administrator plus the 90-day period prescribed for the Administrator's consideration of the appeal.) This 105-day time limit ensures that hospitals whose MGCRB decisions are reviewed by the Administrator, whether on appeal or on the Administrator's own motion, will have a final agency decision within 105 days of the MGCRB decision. The date on which the Administrator issues the notice of review does not affect the overall 105-day time limit.

We recognize the commenter's concern that hospitals be notified early in the 105-day review period whether the Administrator will exercise own motion review. However, we are retaining the flexible rule under § 412.278(c)(2) of the regulations providing that the Administrator "promptly notify" the hospital of his or her decision to review the MGCRB decision. This standard was chosen to enable the Administrator to exercise his or her discretion with respect to a multitude of cases that, because of the statutory time constraints imposed on the MGCRB, may be issued within a very short time span. The Administrator may be faced with hundreds of cases at one time on which a decision to exercise discretionary review must be made. We believe this circumstance warrants a flexible rule. In addition, we note that the need to complete discretionary review within the 105-day timeframe for decision itself provides a strong inducement for the Administrator to issue the required notice of review to the hospital as soon as possible following the MGCRB's decision. Under § 412.278(c)(3), the hospital has 15 days from the receipt of the notice of review to submit a response in writing to the

Administrator, which the Administrator considers in making his or her decision. In order for the Administrator to issue his or her decision within the time limit, the notice of review must be issued as quickly as possible.

*Comment:* We received two comments in response to the January 7, 1991 interim final rule with comment period concerning the corrections made to the wage index data. These commenters stated that the deadline for filing applications to the MGCRB should be extended for hospitals that would qualify for reclassification based on these corrected data. They argued that otherwise they would be unfairly penalized because they were unaware that corrections would be made to the data and, therefore, did not apply to the MGCRB by the filing deadline. The commenters indicated that a cutoff date should be applied to the data so that it would be clear to hospitals whether they should apply for reclassification.

*Response:* The deadline for filing applications to the MGCRB is mandated by the provisions of section 1886(d)(10) of the Act. As we explained in the June 4, 1991 final rule (56 FR 25477), we believe it is appropriate for the MGCRB to use the latest corrected wage data in making its determination. Since the inception of the prospective payment system, it has been our practice to make midyear corrections to the wage index. Our handling of corrections to the wage index data is specifically addressed in § 412.63(p). Therefore, hospitals reasonably should have anticipated that midyear corrections to the wage index would be made and that these corrections would have an impact on hospital reclassification decisions. Hospitals should have considered the possible effects of midyear corrections when deciding whether to file an application with the MGCRB. We believe this situation is different from other situations relating to geographic classification that hospitals could not have reasonably been expected to anticipate.

*Comment:* A few commenters took issue with the provision under § 412.73 that allows a hospital to withdraw its application for geographic reclassification only before a decision has been rendered by the MGCRB. One commenter suggested that hospitals be permitted to withdraw their MGCRB applications within 60 days after publication of the annual notice of proposed rulemaking concerning changes to the prospective payment system. This would permit hospitals to assess the impact of reclassification based on the proposed rule.

*Response:* We agree with the commenter that hospitals should be afforded an additional opportunity to withdraw their reclassification requests. Because hospitals cannot know in advance how the reclassifications will affect their wage index values at the time they submit applications to the MGCRB for the following fiscal year, we are revising § 412.273 to allow hospitals to withdraw their applications up to 45 days after the publication of the annual proposed notice of changes to the prospective payment system. Hospitals will be permitted to withdraw their applications during that time period even if an MGCRB decision has already been made. However, a hospital may not use the withdrawal provision, in effect, to modify its application, i.e., a hospital cannot request a different reclassification to an alternate area within the same Federal fiscal year. A hospital that wishes to be reclassified to an alternative area will have to submit a new application to the MGCRB for the following Federal fiscal year.

We note that we are establishing a 45-day deadline for withdrawal requests instead of a 60-day deadline (such as the one afforded in the June 4, 1990 interim final rule for FY 1992 reclassifications (see discussion above)) in order to provide reasonable time to take the withdrawals into account in developing the final wage index and prospective payment rates. Although we believe that the notice of proposed rulemaking will provide information that will be useful to hospitals in deciding whether to withdraw their reclassification request, we caution that the proposed wage index values will change in the final rule to take into account the impact of any withdrawal requests and of any MGCRB decisions that were not issued in time to be taken into account in the proposed rule. A hospital that requests that its application be withdrawn may not request that the MGCRB decision be reinstated after publication of the final notice of prospective payment rates.

*Comment:* One commenter requested clarification concerning the wage index value a hospital will receive if it is reclassified to an area from which all hospitals previously located in the area have been reclassified. Another commenter suggested that hospitals that have been reclassified to such an area should receive the same wage index value as the hospitals previously located in that area will receive after their reclassification.

*Response:* If all hospitals previously located in an area are reclassified, another hospital reclassified into that area will receive a wage index value

derived from its own wage data and the data of any other hospital or hospitals that are also reclassified to that area. However, consistent with section 1886(d)(8)(C)(iii) of the Act, a reclassified hospital's wage index value cannot be reduced as a result of reclassification below the Statewide rural wage index value for the State in which the hospital is located.

It is possible that several hospitals located within the same geographic area will have different wage index values; for example, some hospitals geographically situated in the same area may be reclassified to different areas and other hospitals in the area may not apply or qualify for reclassification.

*Comment:* Several commenters disagreed with our position on the impact of reclassification for purposes of the standardized amount for rural referral centers (RRCs) and sole community hospitals (SCHs). In particular, the commenters objected to our policy that an RRC or SCH that accepts reclassification of its standardized amount is voluntarily terminating its special status as an RRC or SCH if that status is dependent upon the hospital being located in a rural area. The commenters believe that a hospital's special status as an RRC or an SCH should be temporarily suspended during a term of reclassification of the standardized amount and immediately reinstated should the hospital not be reclassified for subsequent years. One commenter believes that we were granting a single exception to this policy in establishing a provision that allows rural SCHs that are located at least 35 miles from the nearest like hospital to retain their SCH status upon acceptance of reclassification.

*Response:* As we noted in the September 6, 1990 interim final rule with comment period (55 FR 36761), a rural hospital that is reclassified for purposes of its standardized amount is considered urban for all purposes except the wage index. This is because the hospital is reclassified as urban for purposes of section 1886(d)(2)(D) of the Act. The provisions of section 1886(d)(2)(D) of the Act define the terms "rural area" and "urban area" for purposes of section 1886(d) of the Act. Therefore, a hospital that is reclassified to an urban area for purposes of section 1886(d)(2)(D) of the Act is reclassified as urban for purposes of section 1886(d) of the Act. Since some of the criteria for both RRC and SCH status include a requirement that a hospital be located in a rural area, a hospital that applies for and is approved for reclassification to an urban area cannot continue to meet special status



requirements applicable only to hospitals located in rural areas.

As we also discussed in the June 4, 1991 final rule with comment period, a hospital's special status as an RRC or an SCH was granted because, at the time of its application, the hospital demonstrated that it met certain criteria designed to identify particular categories of hospitals. That is, as noted at 56 FR 25482:

\* \* \* (Each of the special status adjustments is designed to recognize the special needs and patient characteristics of particular categories of hospitals \* \* \*. For instance, RRC status is granted to those hospitals that draw patients from widely diverse geographical areas and offer a broad range of sophisticated services to large number of patients. SCH status is available to those hospitals that are isolated by distance, weather conditions, or travel time or that receive a high percentage of the inpatient market share compared to other hospitals in their service area.

Thus, each of these special status adjustments was created to recognize the special characteristics of particular categories of hospitals, and the qualifying criteria for each adjustment are framed to identify those hospitals that should receive the adjustment. A hospital's patient characteristics and operating procedures (and, thus, its ability to meet the qualifying criteria) may be altered either since it initially qualified for the special payment status or during its period of geographic reclassification. We, therefore, believe it is reasonable to require a hospital to demonstrate that it meets the criteria for a special payment adjustment when its (geographic) reclassification status ends.

Thus, we continue to believe that, when an RRC or an SCH accepts geographic reclassification of its standardized amount, it is, except in limited instances (see 56 FR 25483), voluntarily giving up its status as an RRC or an SCH. If such a hospital is not subsequently approved for another term of reclassification, it must reapply for its special status. That is, a hospital must meet the provisions at § 412.96(a) to requalify for RRC status or the provisions at § 412.92(b)(4) to requalify for SCH status. The criteria must be met as of the first day of the period for which the hospital is seeking the special status.

In regard to the commenter who believes that we granted a single exception to this policy by stating that rural SCHs that are located at least 35 road miles from the nearest like hospital will not lose their SCH status, we note that this was not an exception to our policy on the effects of geographic reclassification on SCH, RRC, or MDH status. Instead, it was a revision in our overall policy concerning the criteria to acquire SCH status. Our prior policy

was that, effective October 1, 1983, no urban hospital could qualify for SCH status except those that had acquired SCH status prior to October 1, 1983 and had continuously maintained that status, and those that were granted SCH status by virtue of a court order. However, we revised that policy in the June 4, 1991 final rule with comment period to provide that any hospital that is located at least 35 road miles from the nearest like hospital can qualify for SCH status, whether located in a rural or urban area. Since such a hospital's status is not dependent upon its being located in a rural area, it would not voluntarily give up its status as an SCH by accepting geographic reclassification of its standardized amount. This is the same rationale that we applied to RRCs approved under § 412.96(b)(2), since those criteria are similarly applicable to both urban and rural hospitals (56 FR 25483). Thus, because some criteria for both SCH and RRC status are available to hospitals located in both rural or urban areas, geographic reclassification of a hospital qualifying under these criteria will not result in loss of the hospital's special status.

*Comment:* Several commenters requested clarification regarding the timing requirements for hospitals that have voluntarily terminated their RRC status in favor of geographic reclassification and wish to requalify for RRC status. Section 1886(d)(5)(C)(i) of the Act requires that applications for RRC status be filed in the 3-month period preceding the start of a hospital's cost reporting period. The commenters noted that, for hospitals with cost reporting periods beginning October 1 that anticipate that they will not be reclassified for a second term, the 3-month period falls during a time when they would still technically be considered urban due to reclassification. The commenters asked whether such hospitals could apply on or after July 1 for RRC status to be effective October 1 based on the fact that they would again be considered rural when their term of reclassification expired.

*Response:* We agree with the commenters that, in the scenario described above, it would be inequitable to deny RRC status to a hospital based on its status at the time it applies rather than its status on what would be the earliest effective date of RRC status. That is, notwithstanding its urban classification, if a hospital has not applied for or anticipates that it will not be approved for continued reclassification of its standardized amount, and if it has a cost reporting period beginning on or after October 1 and before December 31, it may submit

its application for RRC status on or after July 1 and before October 1, but no earlier than 3 months prior to the start of its cost reporting period. Assuming that all of the other applicable criteria are met, the HCFA regional office will approve the hospital's request for RRC status contingent upon its reverting to rural status effective October 1.

*Comment:* One commenter disagreed with the following statement in the June 4, 1991 final rule with comment (56 FR 25483):

Since an RRC's standardized amount is already based on the other urban amount, we anticipate that there will be few qualified RRCs seeking geographic reclassification for purposes of their standardized amount. Only those RRCs that meet the requirements to be reclassified to a large urban standardized amount would benefit from reclassification.

The commenter pointed out that, since geographic reclassification of the standardized amount means that a hospital is considered to be urban for all purposes except the wage index, an RRC might seek reclassification of its standardized amount to become eligible for disproportionate share payments or, in some instances, it might benefit from additional Medicaid payments as an urban hospital.

*Response:* We agree with the commenter. In the situations cited above, it may be to an RRC's advantage to obtain reclassification of its standardized amount even though it will result in the loss of its RRC status.

*Comment:* One commenter noted that a hospital may lose its RRC status either because of failure to meet the RRC triennial review criteria that are effective for cost reporting periods beginning on or after October 1, 1992 (see § 412.96(f)) or because of acceptance of reclassification for purposes of its standardized amount. The hospital may then subsequently be unable to requalify as an RRC. The commenter requested that such a hospital be permitted to continue to use the special access rules for RRCs and SCHs at § 412.230(a)(4) for purposes of geographic reclassification. That is, the commenter believes that a hospital that has been an RRC at any time should be permitted to qualify for reclassification of its standardized amount without having to meet the general adjacency and proximity criteria in § 412.230.

*Response:* We do not agree with this commenter's suggestion. As noted in the June 4, 1991 final rule with comment (56 FR 25482), we amended § 412.230(a)(4) to provide that hospitals that lose their RRC or SCH status by virtue of reclassification may continue to qualify for subsequent terms of geographic



reclassification under the special access provision rules even though they have relinquished their special status as RRCs or SCHs by accepting reclassification for the first year.

However, we do not believe that this consideration should be extended indefinitely. If a hospital that qualified for reclassification of its standardized amount under the special access rule for RRCs and SCHs is not reclassified for a consecutive term, it will not subsequently be able to qualify for reclassification using the special access rule unless it regains status as an RRC or SCH. Thus, in the situation described by the commenter (that is, a hospital that has terminated its RRC status by accepting geographic reclassification of its standardized amount or that has lost its RRC status due to its inability to meet the triennial review criteria for continued RRC classification), the hospital may not qualify for geographic reclassification using the special access rule.

As indicated in the June 4, 1991 final rule with comment period (56 FR 25472), the purpose of the special access rule is to ensure the financial viability of RRCs and SCHs and the maintenance of access to tertiary care for beneficiaries in relatively isolated rural areas. We believe that hospitals that are unable to meet either the criteria to requalify for one of these special status adjustments or the criteria to maintain qualification for one of the adjustment categories should not be treated differently from any other rural hospital that has never met the criteria for RRC or SCH status.

*Comment:* Several commenters stated that, given the impact of geographic reclassifications on payments to urban hospitals, we should suspend implementation of the final MGRB rule and extend the application deadline for FY 1993 in order to allow time to reevaluate the appropriateness of the guidelines. In addition, a number of commenters pointed out potential problems with the application process in future years. For example, some were concerned that because an annual update to the wage index will be implemented in FY 1994, hospitals would be unable to ascertain whether or not they should apply for reclassification during FY 1993 since they would be unable to determine the impact of new wage data on their wage index values at the time they would be applying. Finally, there are issues involving the implementation of the revised Metropolitan Statistical Area (MSA) definitions which will be released by the Office of Management and Budget (OMB) in June of 1992 and

the issue of how these new designations will be handled in conjunction with the geographic reclassifications.

*Response:* As we indicated in the June 4, 1991 final rule with comment period (56 FR 25470), we intend to evaluate the reclassifications made under the current guidelines and to propose such revisions as may be appropriate for future application cycles. However, this review process will require a considerable amount of analysis as well as public notice and comment prior to implementation. Moreover, any revisions to the guidelines need to be reviewed in conjunction with potential refinements to the labor market area definitions. We are unable to complete this review process in time to revise the guidelines for the application period for the FY 1993 reclassifications. However, we will take into consideration the issues raised by the commenters and will address these issues as part of our review and in any future notice of proposed rulemaking.

We do not have the legal authority to extend the application deadline for FY 1993 reclassifications. Moreover, in order to process the large number of applications in a timely manner, the MGRB must receive all materials by October 1, 1991. This deadline is necessary to allow a sufficient amount of time for the MGRB to issue decisions on hospital applications for reclassification by March 30, 1991, as required by section 1886(d)(10)(c)(iii)(I) of the Act.

Finally, we are concerned that the revised MSA definitions that will be issued by OMB in June of next year will create problems with respect to the reclassifications due to the reconfiguration of the MSAs. For example, it is likely that some MSA areas will gain or lose counties, which would affect the adjacency and proximity qualifications of hospitals that have applied for reclassification. Some MSAs also will likely be divided into two or more MSAs or merged with other MSAs, which could create problems in determining the proper MSA to which a hospital should be reclassified. In addition, some previously urban counties may become rural under the revised MSA designations. These counties may not have applied for redesignation, but might well have done so had they known the results of the revised MSA designations. These problems as well as other potential problems will be compounded by the fact that the new MSAs will not be announced until June.

Our current policy for adopting changes in the MSA designations is to

recognize these changes at the beginning of the Federal fiscal year (October 1) following the effective date of the change announced by OMB (see § 412.63(b)(4)). However, if we implement the new MSA designations in FY 1993, the prospective payment proposed rule that will be published in May 1992 will not reflect these changes (which will be announced in June) and hospitals will not be able to determine the impact of the revised MSA designations until publication of the final rule. Given the budget neutrality constraints in section 1886(d)(6) of the Act, and the specific methodology for constructing the wage index, we cannot allow hospitals to request changes in their reclassification status after the final rule is published. A possible solution would be to delay implementation of the revised MSAs until the beginning of FY 1994, the time when the next update to the wage index is implemented. This would allow us to publish the proposed wage index along with the new MSA configurations. We are soliciting public comment on possible acceptable approaches to implementing the revised MSA definitions as well as on potential changes to the reclassification guidelines. We will consider comments that we receive by October 29, 1991. In developing the proposed rule concerning changes to the prospective payment system for FY 1993 and any proposed rulemaking document that we issue concerning the reclassification guidelines. Comments should be mailed to the following address:  
Reclassification Issues, 1-H-1 East Low Rise, 6325 Security Blvd., Baltimore, MD 21207, Attn: Lana Price.

### III. Changes to DRG Classifications and Weighting Factors

#### A. Background

Under the prospective payment system, we pay for inpatient hospital services on the basis of a rate per discharge that varies by the DRG to which a beneficiary's stay is assigned. The formula used to calculate payment for a specific case takes an individual hospital's payment rate per case and multiplies it by the weight of the DRG to which the case is assigned. Each DRG weight represents the average resources required to care for cases in that particular DRG relative to the average resources used to treat cases in other DRGs.

Congress recognized that it would be necessary to recalculate the DRG relative weights periodically to account for changes in resource consumption.

Accordingly, section 1886(d)(4)(C) of the Act requires that the Secretary adjust the DRG classifications and weighting factors annually beginning with discharges occurring in FY 1988. These adjustments are made to reflect changes in treatment patterns, technology, and any other factors that may change the relative use of hospital resources. The changes to the DRG classification system and the recalibration of the DRG weights for discharges occurring on or after October 1, 1991 are discussed below.

#### *B. DRG Reclassification*

##### *1. General*

Cases are currently classified into DRGs for payment under the prospective payment system based on the principal diagnosis, up to four additional diagnoses, and up to three procedures performed during the stay, as well as age, sex, and discharge status of the patient. The diagnosis and procedure information is reported by the hospital using codes from the International Classification of Diseases, Ninth Revision, Clinical Modification (ICD-9-CM). The intermediary enters the information into its claims system and subjects it to a series of automated screens called the Medicare Code Editor (MCE). These screens are designed to identify cases that require further review before classification into a DRG can be accomplished.

After screening through the MCE and any further development of the claims, cases are classified by the GROUPER software program into the appropriate DRG. The GROUPER program was developed as a means of classifying each case into a DRG on the basis of the diagnosis and procedure codes and demographic information (that is, sex, age, and discharge status). It is used both to classify past cases in order to measure relative hospital resource consumption to establish the DRG weight and to classify current cases for purposes of determining payments.

Currently, there are 487 DRGs in 25 major diagnostic categories (MDCs). Most MDCs are based on a particular organ system of the body (for example, MDC 6, Diseases and Disorders of the Digestive System); however, some MDCs are not constructed on this basis since they involve multiple organ systems (for example, MDC 22, Burns).

Except for a few special cases, principal diagnosis determines MDC assignment. Within most MDCs, cases are then divided into surgical DRGs (based on a surgical hierarchy that orders individual procedures or groups of procedures by resource intensity) and

medical DRGs. Medical DRGs generally are differentiated on the basis of diagnosis and age. Some surgical and medical DRGs are further differentiated based on the presence or absence of complications or comorbidities (hereafter CC). Generally, GROUPER does not consider other procedures; that is, nonsurgical procedures or minor surgical procedures generally not done in an operating room are not listed as operating room (OR) procedures in the GROUPER decision tables. However, there are a few non-OR procedures that do affect DRG assignment for certain principal diagnoses, such as extracorporeal shock wave lithotripsy for patients with a principal diagnosis of urinary stones.

We proposed to make several changes to the DRG classification system. These proposed changes and the comments we received concerning them as well as our responses are set forth below. We received two comments that were unrelated to the proposals we made, as follows:

*Comment:* A commenter requested that a DRG be created for a new procedure being developed to revascularize occluded coronary bypass grafts. The commenter claims that this procedure, which involves the use of a device that has been submitted to the Food and Drug Administration for approval, is less invasive and traumatic than revascularization using coronary bypass surgery. The commenter is concerned that without a new DRG category for this and similar technology, medical device innovation will never have the opportunity to establish itself. The commenter believes that this procedure would result in a net cost savings by reducing the cost of performing the revascularization and the rehabilitation. In addition, the commenter stated that this type of new technology should be encouraged by establishing a DRG that will allow payment at a level sufficient to encourage graft salvage rather than repeat bypass surgery.

*Response:* HCFA considers the effects of new technology and changes in practice patterns on resource use when revising the DRG classification system and recalibrating the DRG relative weights. New technologies are incorporated into the prospective payment system and into the DRGs based on the types of cases and procedures they are used in, using the procedure and diagnosis codes on the Medicare bill. When this new device is approved by the FDA, the procedure in which the device is used will be coded using the current ICD-9-CM procedure codes and, thus, will continue to be

classified to the same DRG or DRGs to which that code currently is classified. If use of the device results in a change in the procedure itself, it is possible that a new ICD-9-CM code will be created to describe the procedure. In that case, we would evaluate the cases in which the procedure is used and assign the procedure code to a DRG that contains cases that are similar both clinically and in terms of resource use. One example of DRG classification changes that were made based on new technology and changes in treatment patterns is the changes we made in MDC 5 (Diseases and Disorders of the Circulatory System) in the September 4, 1990 final rule (55 FR 36021-36024.)

The effect of new technology on resource use is also taken into account in the annual update factor and in the recalibration of the DRG relative weights. The prospective payment system annual update factor is meant to recognize, among other factors, the impact of new technologies. In determining our recommended update factor, as required by section 1886(e)(4) of the Act, we include factors for changes in productivity and science and technology advancement as well as changes in practice patterns. (See appendix B of this final rule for our FY 1992 recommended update factor.) Also, the DRG relative weights are recalibrated each year based on the latest available charge data in order to ensure the distribution of Medicare payments across DRGs based on average resource costs. As charges for new technologies such as the one the commenter describes are incorporated into our data base, the DRG weights reflect the changes in the relative resource intensity among the DRGs.

Although the commenter is concerned that utilization will be discouraged if a new, higher-weighted DRG is not created for this new technology, we note that this has not been the case with other technologies. In fact, as new technologies are introduced, we often discover that the high cost of the technology is somewhat balanced by a savings either in other treatment costs or a reduction in length of stay. Therefore, in keeping with our longstanding policy on the treatment of new technologies, we do not plan to create a new DRG for this new device.

*Comment:* We received comments requesting that we review the absence of surgical partitioning in MDC 20 (Alcohol/Drug Use and Alcohol/Drug Induced Organic Mental Disorders). The commenters are concerned that the surgical cases that group to MDC 20

based on a principal diagnosis of alcohol/drug use are underpaid.

**Response:** When the MDC 20 DRGs were revised effective for FY 1988, we analyzed the need for a surgical DRG and did not believe that it was necessary. However, preliminary investigation of the FY 1990 MEDPAR file indicates that a review of the surgical cases that group to MDC 20 is warranted. We note that this is the only MDC besides MDC 15 (Newborns and Other Neonates with Conditions Originating in the Perinatal Period) which consists almost entirely of low-volume DRGs, for which there is no classification provision for cases with surgical procedures. Therefore, we will include this topic on our analysis agenda for FY 1993.

## 2. Reassignment of Acute Myocardial Infarction (AMI)

Effective with discharges on or after October 1, 1989, we required the use of a new fifth digit subclassification within the diagnostic category 410 (Acute myocardial infarction). (See Table 6A—New Diagnosis Codes, in section IV of the addendum to the September 1, 1989 final rule (54 FR 36547).) This subclassification distinguishes an initial episode of care from a subsequent episode of care. A fifth digit of "1" (initial episode of care) is used to designate the acute phase of care of an AMI regardless of the location of the treatment. It also includes cases that are transferred for care and treatment within the acute phase of care. Any subsequent episode of care for another AMI is also assigned a fifth digit of "1." All of these cases are assigned, as they have been in the past, to DRG 121 or 122 (Circulatory Disorders With AMI With and Without Cardiovascular Complications, Discharged Alive) or DRG 123 (Circulatory Disorder With AMI, Expired) or, in the case of a pacemaker implantation, to DRG 115 (Permanent Cardiac Pacemaker Implant With AMI, Heart Failure or Shock).

A fifth digit of "2" is used to designate observation, treatment, or evaluation of AMI within 8 weeks of onset, but following the acute phase, or in the healing state in which the episode of care may be for related or unrelated conditions. All of these cases are currently assigned to DRGs 132 or 133 (Atherosclerosis)<sup>1</sup> if AMI, subsequent

episode of care, is identified as the principal diagnosis. We also assign principal diagnosis with a fifth digit of "0" to these DRGs. The fifth digit "0" is used when the episode of care is unspecified in the medical record.

With the availability of the FY 1990 Medicare provider analysis and review file (MEDPAR) data, we are able to assess the appropriateness of assigning the nonacute AMI cases to DRGs 132 and 133. Based on our analysis, we proposed to reclassify the nonacute AMI cases effective with discharges occurring on or after October 1, 1991. The average charges for these AMI cases are higher than the average charges for the other cases assigned to DRGs 132 and 133. Because the nonacute AMI cases are not clinically cohesive with any specific set of cases in other MDC 5 medical DRGs, we proposed to reassign them to DRGs 144 and 145 (Other Circulatory Diagnoses). The average charges of the cases currently assigned to these DRGs are fairly equivalent to the average charges for the nonacute AMIs. Although we are somewhat reluctant to move these cases from a more well-defined DRG to the "other" category, we believe that the action is justified by the fact that these cases would be underpaid if they remained in DRGs 132 and 133.

**Comment:** The comments we received concerning this issue were all supportive of the change we proposed to make. However, one commenter was confused about which codes are to be reclassified from DRGs 132 and 133 to DRGs 144 and 145; that is, is only the fifth digit "0" moving, the fifth digit "2," or both of them? The same commenter agreed with our statement in the proposed rule (56 FR 25182) that there are probably coding inaccuracies to blame for the preponderance of "0" (unspecified episode of care) fifth digits in the cases assigned to DRGs 132 and 133 but also stated that the coding terminology in Volume I of the ICD-9-CM manuals is problematic and open to differing interpretations. The commenter was interested in the type of educational action we intend to take.

**Response:** Both the "0" and "2" fifth digits are being reclassified from DRGs 132 and 133 to DRGs 144 and 145. As we stated in the proposed rule (56 FR 25182), the unspecified fifth digit "0" is being reported almost five times more often than the second episode of care fifth digit "2." This is an unusually high percentage of unspecified cases because medical record coders use the unspecified code only when they are unable to determine from the medical record which specific code to use. We

are concerned that the higher charges being reported in this category may not be reliable and may actually represent some percentage of first episode of care fifth digit "1" cases.

Because HCFA does not have the lead responsibility for the diagnosis codes that are included in Volume I of the ICD-9-CM manuals (see detailed discussion of these manuals below in section III.B.10 of this preamble), we can not initiate any changes to the terminology in that volume. We intend to discuss necessary changes with the National Center of Health Statistics (NCHS), the agency that does have the lead responsibility for the diagnosis codes. In the meantime, we will prepare an article for *Coding Clinic for ICD-9-CM (Coding Clinic)* published quarterly by the American Hospital Association (AHA). *Coding Clinic* provides specific diagnosis and procedure information and guidelines that are helpful for determining proper coding. Although it is true that this type of advice must, by its nature, take place only after problems have been identified, we do believe that it is an appropriate way to rectify a situation in which codes are being used improperly. In addition, comments or requests for information about diagnosis and procedure codes should be directed to the NCHS (for diagnosis codes) and HCFA (for procedure codes) at the addresses set forth below in section III.B.10 of this preamble.

**Comment:** Another commenter believes that a certain number of acute phase AMIs (denoted with a fifth digit "1") are incorrectly assigned to DRGs 121 and 122. This commenter described the situation in which a patient with an AMI is transferred (after initial stabilization) from one hospital to another for diagnostic work-up. These patients receive cardiac catheterization at the second hospital and are then transferred to a third hospital for surgery. Because these patients stay in the second hospital only 2 to 3 days and are not similar in resource intensity to the other acute phase AMI patients who receive only medical treatment and thus stay in the second hospital for several more days, the commenter believes that the transferred patients should be classified in DRG 124. This commenter also suggested that we place an MCE edit on the fifth digit "0" AMI cases to help clarify what types of cases are being coded to that digit and to ensure correct hospital coding.

**Response:** The commenter is probably correct in stating that the transferred AMI patients are less resource intensive than the patients who remain at the

<sup>1</sup> A single title combined with two DRG numbers is used to signify pairs, the first DRG of which is for cases with CC and the second of which is for cases without CC. If a third number is included, it represents cases of patients who are age 0-17.

hospital for an entire course of treatment. However, the DRG system is designed to accommodate this type of case. If the patient is transferred to another prospective payment hospital, the transferring hospital is paid a per diem rate for each day of the patient's stay, not to exceed the full DRG rate. The per diem rate is determined by dividing the appropriate payment rate by the geometric mean length of stay for the DRG to which the case is assigned. Thus, a patient who is assigned to either DRG 121 or 122 and stays in the second hospital for only 2 to 3 days for diagnostic workup will receive less than one-quarter of the usual payment rate in the case of DRG 121 and approximately one-third of the DRG 122 payment rate.

We note that if the patient remained in the hospital for the full average length of stay and, thus, the transferring hospital received the full DRG payment, the result would be that, in this case, the hospital had received payment in excess of costs for the case. In a system built on averages, this situation occurs some of the time. The hospital, no doubt, treats some cases in DRGs 121 and 122, as well as other DRGs, where the payment received is less than the cost. These two types of cases balance each other and allow the hospital to receive, on average, payments equal to resources required to treat Medicare patients.

With regard to the comment that we use the MCE to review all AMI cases coded with the fifth digit "0", we believe that such a major undertaking is premature. We hope that the education we have already begun as well as future instruction, coupled with medical record coders becoming more familiar with the AMI codes, will be enough to correct the situation. We note that the only AMI data we have is from the first year the codes were used. It is not unusual for some miscoding to take place when we introduce new codes. It often takes some time to familiarize and educate coders when a coding change is made. If we discover that future MEDPAR data continue to indicate a problem with AMI coding, we will reconsider the commenter's suggestion.

### 3. Major Joint and Limb Reattachment Procedures (DRG 209)

Effective October 1, 1989, we introduced new procedure codes to distinguish initial hip replacement procedures from revision of hip replacement procedures. (See Table 6B—New Procedures Codes, in section IV of the addendum to the September 1, 1989 final rule (54 FR 36549).) In response to comments we received concerning that change, we agreed to review the charges for these procedures

as part of our analysis of DRG changes for FY 1992. Our review of the FY 1990 MEDPAR data has revealed that, although the initial hip replacements cases assigned to DRG 209 are less expensive than the revision procedures, the difference is not enough to justify our creating a separate DRG or reassigning the revision cases.

However, during our review, we did note that the cases assigned to DRG 209 fall into two distinct groups based on the procedure performed and the corresponding average charges. The procedures of the lower extremity (that is, hip, thigh, leg, knee, ankle, and foot) have charges that are approximately 50 percent higher than those of the upper extremity (that is, shoulder, elbow, arm, wrist, and hand). Based on this finding, we proposed to assign each of these groups of procedures to a separate DRG. We also proposed to revise DRG 209 by changing the title to "Major Joint and Limb Reattachment Procedures of Lower Extremity" and removing the upper extremity procedures from this DRG assignment. As proposed, DRG 209 would include only the remaining lower extremity procedures as follows:

- 81.51 Total hip replacement
- 81.52 Partial hip replacement
- 81.53 Revision of hip replacement
- 81.54 Total knee replacement
- 81.55 Revision of knee replacement
- 81.56 Total ankle replacement
- 84.26 Foot reattachment
- 84.27 Lower leg or ankle reattachment
- 84.28 Thigh reattachment

We proposed to create a new DRG, DRG 491 (Major Joint and Limb Reattachment Procedures of Upper Extremity). We proposed to assign the upper extremity procedures from DRG 209 to DRG 491. These procedures are as follows:

- 81.73 Total wrist replacement
- 81.80 Total shoulder replacement
- 81.81 Partial shoulder replacement
- 81.84 Total elbow replacement
- 84.23 Forearm, wrist, or hand reattachment
- 84.24 Upper arm reattachment

All the comments we received on this issue supported our proposed revision to DRG 209. However, some commenters requested various other changes as follows:

*Comment:* One commenter noted that our analysis of charge data for initial hip replacement surgery and revision hip replacement surgery failed to address an important issue; that is, the difference in resource use for cases with revision or replacement of infected internal prostheses compared to initial replacement cases. The commenter included the results of a study that demonstrates that there are substantial

differences between the costs of revision or replacement of existing prostheses due to sepsis and initial joint replacement surgery. Based on the results of the study, the commenter recommended that HCFA reconsider its proposal and establish a separate DRG for these cases.

*Response:* In our analysis of DRG 209, we identified variation between initial hip replacement and hip replacement revisions, as well as differences between procedures performed on upper extremities compared to those performed on the lower extremities, as measured by total charges. While it is true that we did not directly address the issue of infection occurring with joint replacement surgery, these cases were included in the procedure codes we evaluated. The revision cases, which include revision due to infection, did incur higher charges than those for the initial replacement. However, as stated in the June 3, 1991 proposed rule (56 FR 25183), the difference between these cases was not considered large enough to warrant creating a new DRG.

We believe that any higher resource use incurred by hospitals for revision of hip replacement due to sepsis or infection is best addressed through the addition to our present system of refined CC categories. We intend to address this issue through our refinements to the DRG system to reflect variation in the severity of illness among patients, which will most likely involve the addition of catastrophic or major CCs as separate CC categories.

*Comment:* One commenter suggested that, in addition to the changes we proposed, major limb reattachment procedures be separated and assigned to a new and separate DRG. The commenter believes that these procedures are clinically different from and have much higher costs associated with them than major joint replacement procedures. The commenter stated that limb reattachments usually require teams of surgical specialists to reconstruct the bones, blood vessels, and major nerves, as well as provide for adequate skin coverage, and that relatively few hospitals are prepared to deal with these cases. The commenter also stated that limb reattachments are comparatively rare and are usually performed as emergency procedures rather than on an elective basis, as are major joint replacements.

*Response:* When we performed our analysis of DRG 209 based on FY 1990 MEDPAR data, we did not consider nor analyze the possibility of separating the reattachment procedures. We note that there are DRGs in MDC 24 (Multiple

Significant Trauma) that contain major limb reattachment procedures. These DRGs are often assigned to emergency cases. We note that for FY 1992 DRG 209 has a relative weight of 2.3795 and DRG 491 has a weight of 1.5633, while DRG 485 (Limb Reattachment, Hip and Femur Procedures for Multiple Significant Trauma) has a weight of 3.0632. These weights do seem to indicate that reattachment and joint procedures are more expensive when performed under emergency conditions.

Although we are unable to thoroughly evaluate this suggestion for a possible change for FY 1992, we will add the commenter's request to our FY 1993 DRG analysis agenda. While it may not be appropriate to establish a separate DRG for a rare (low or no volume) type of case, we will evaluate the most appropriate DRG classification for major limb reattachments, considering both the resources involved and the clinical nature of the procedure.

#### 4. Chemotherapy (DRG 410)

Under the DRG classification system, patients admitted for chemotherapy for cancer (principal diagnosis of V58.1 (Chemotherapy) or V67.2 (Chemotherapy follow-up)) are assigned to DRG 410 (Chemotherapy) regardless of the type of cancer indicated by the secondary diagnosis. Therefore, DRG 410 represents a significantly heterogeneous group of cases that not only vary clinically in terms of diagnosis, prognosis, and severity but also vary widely in resource consumption, as measured by hospital charges.

Based upon an analysis of the cases assigned to DRG 410, we found that the acute leukemia patients incurred significantly higher charges than patients with other types of cancer. Therefore, we proposed the addition of a DRG for chemotherapy patients with a secondary diagnosis of acute leukemia. As proposed, this new DRG 492 (Chemotherapy with Acute Leukemia as Secondary Diagnosis) would consist of patients with a principal diagnosis code of V58.1 or V67.2 and a secondary diagnosis code of acute leukemia (204.00, 204.01, 205.00, 205.01, 206.00, 206.01, 207.00, 207.01, 208.00, or 208.1). Cases with a principal diagnosis of V58.1 or V67.2 and any other secondary diagnosis would continue to be assigned to DRG 410, with the DRG title revised to "Chemotherapy Without Acute Leukemia as Secondary Diagnosis."

We note that effective October 1, 1991, a fifth digit will be added to the existing diagnosis codes for leukemia, making it possible to distinguish between cases in remission and those

not in remission. (See Table 6a—New Diagnosis Codes, in section IV of the addendum to this final rule.) We will continue to assign these cases to the same DRGs we did when they were coded using four digits. Thus, all acute leukemia cases admitted for chemotherapy would be classified in DRG 492, whether they are in remission or not. When we have collected data using the new codes and are able to analyze the cases in remission compared to those not in remission, we will evaluate whether it will be necessary or appropriate to consider further distinctions in DRG assignment.

*Comment:* While our recommendation to restructure DRG 410 by creating a new DRG met with much approval, only one commenter offered unqualified support. The remaining commenters supported the direction of placing acute leukemia patients in a separate DRG, but indicated there are increasing numbers of inpatients with other types of cancer for whom this distinction may also be appropriate and suggested we consider broader classification than just leukemia. A few commenters recommended that we create another DRG for chemotherapy with testicular cancer, in addition to the proposed DRGs 410 and 492; one of these commenters suggested further changes in the titles to reflect "intensive" (with leukemia or testicular cancer) and "nonintensive" chemotherapy because these titles would help set a framework for future changes in these DRGs.

Other suggestions for expanding the classification of chemotherapy included creating a DRG for chemotherapy with chronic leukemia, as well as a separate DRG for lymphoma and one for kidney cancer. The commenters stated that these patients may often have chemotherapy admissions ranging from several days to several weeks depending on the medication and dosage of the treatment. One commenter requested that we establish a flexible system that will allow for expanding DRGs with the development of new treatment therapies.

*Response:* In our analysis of the FY 1990 MEDPAR data, we thoroughly evaluated the types of cases that group to DRG 410. We looked at each of the secondary diagnoses that occasioned the chemotherapy admission. This included an analysis of both acute and chronic leukemia as well as testicular and kidney cancer and lymphoma. We also investigated the possibility of splitting DRG 410 by CCs, with CCs defined by a secondary diagnosis of a noncancer condition. On completion of this analysis, the most appropriate classification revision was the creation

of a DRG for chemotherapy with acute leukemia as a secondary diagnosis. Only those cases had consistently much higher charges and longer lengths of stay as compared to the average case in DRG 410. None of the other suggested revisions result in as meaningful a difference in charges, length of stay, or reduction in variance. Testicular cancer, typically a disease of younger men age 20 to 40, had too few Medicare cases to warrant consideration for a separate DRG; in addition, the average charge of the testicular cancer cases in the MEDPAR file was not much higher than the charge for the average case in DRG 410 and was well within the variance for the DRG (even after the removal of the leukemia cases).

When we analyzed the possibility of splitting DRG 410 by presence or absence of a CC, we found that the vast majority of cases assigned to DRG 410 had a CC. That is, the patients who receive chemotherapy as hospital inpatients for a cancerous condition had another condition besides the cancer that qualified as a CC. Therefore, we believe it would be inappropriate to split DRG 410 by CC since most of the cases would be classified to the CC DRG and the resulting weight would be very similar to that of the current DRG 410.

With regard to title changes for DRGs 410 and 492, we believe that changing the titles of the new DRGs to "intensive" and "nonintensive" chemotherapy is premature. At this time, the only group of cases that we have moved out of DRG 410 is the acute leukemia group. In keeping with our established policy of creating DRG titles that explain as clearly as possible the cases contained in that DRG, we believe that the proposed titles are the most appropriate. As we do further evaluation in the coming years of the cases that remain in DRG 410, we may decide to separate other groups of chemotherapy patients from DRG 410. If we do, we will explore other DRG titles that would more clearly represent the cases that have been reclassified. We understand the commenter's theory that we have made a change that separates acute leukemia from the other cancers because the course of treatment for acute leukemia is much more resource intensive than is the treatment for the other cancers. Even so, we would prefer to do more analysis of the cases in DRG 410 before we made a broader classification statement through a title than we have in the proposed rule and this document.

We will continue to monitor the performance of the chemotherapy DRGs to ensure that this classification is the most appropriate. As we have stated



often in previous prospective payment documents, the goal of the DRG system is to group patients with similar resource consumption, as measured by changes and length of stay, as well as comparable clinical conditions. The DRG system is flexible in that, with weights based on charges submitted by hospitals, each DRG reflects the resources used by that specific DRG relative to all other DRGs. As new expensive chemotherapy treatments are added to the inpatient regimen, these charges will be included in the MEDPAR file and will be used in the annual analysis of the DRG classifications.

**Comment:** One commenter, while agreeing that chemotherapy for acute leukemia patients is clearly more intense than for other types of cancer patients, suggested that rather than creating a new DRG for chemotherapy with acute leukemia as secondary diagnosis, we should assign these patients (except those with V67.2 (Chemotherapy follow-up)) to DRG 405 (Acute Leukemia Without Major OR Procedure Age 0 - 17) and DRG 473 (Acute Leukemia Without Major OR Procedure Age > 17). The commenter stated that assigning those cases involving acute leukemia to DRGs 405 and 473, whether the leukemia is the principle or secondary diagnosis, would more appropriately combine cases involving similar treatment and resource utilization. Because V67.2 is used to code an admission that is solely for follow-up examination and because no therapeutic treatment is given, the commenter also recommended that we reexamine the proper DRG assignment for cases with a principal diagnosis of V67.2.

**Response:** We have considered this recommendation and evaluated the suggested DRGs in comparison to proposed DRG 492. The classification of cases with a principal or secondary diagnosis of acute leukemia to DRGs 405 and 473 would result in a relatively large overpayment to the patients receiving chemotherapy with a secondary diagnosis of acute leukemia while not lowering the weight and, thus, payment to the cases currently assigned to DRGs 405 and 473. The final relative weight for DRG 473 is significantly higher than that for DRG 492. In addition, the few chemotherapy patients that would be assigned to DRG 405 would receive a much lower payment than the DRG 492 assignment. These differential weights reflect wide variations in average charges and lengths of stay (LOS) based on the FY 1990 MEDPAR file as follows:

DRG	Average charge	Average LOS	Final weight
405*	\$13,797	13.0	1.0281
473	21,019	17.3	3.3381
492	16,209	13.9	2.5737

\* We note, however, that there were only three Medicare cases reported for DRG 405 in the FY 1990 MEDPAR file.

Based upon this analysis, we do not believe that it would be appropriate to assign the chemotherapy for acute leukemia cases to DRGs 405 and 473. Even though the patients assigned to all three DRGs are suffering from acute leukemia and may be similar clinically, the differences in the average charges and LOS indicate that the treatment received by the different groups of patients is not comparable in terms of resource use.

Concerning the commenter's suggestion that we review the classification of patients with a principal diagnosis of V67.2, we note that there were under 100 of these cases in the FY 1990 MEDPAR file while there were over 100,000 cases with a principal diagnosis of V58.1. Therefore, these cases have little impact on the average charges and, thus, the relative weight for DRG 410. However, we agree with the commenter that these cases and the actual chemotherapy may not be clinically comparable and we intend to examine this issue in a future DRG evaluation.

**Comment:** One commenter stated that it made no sense to single out leukemia from other cancers in creating separate DRGs. This commenter believes that to have a fair hospital inpatient payment program, it is necessary to have one that matches payments to the actual costs of care provided—not to some average cost of care. Further, this commenter stated that the use of classification techniques and statistical analysis ranging from percentiles to multivariate cluster analysis would be simple and effective. HCFA was urged to follow common sense business and economic principles in making DRG changes.

**Response:** What this commenter has recommended is similar to the cost-based payment system that we used for many years prior to the implementation of the prospective payment system. Because the cost-based system made payment to a hospital based on the actual cost incurred by the hospital in caring for Medicare beneficiaries, there was little incentive for hospitals to make any economies or to investigate more efficient ways of providing care. The result of this was increasing health care costs that were threatening to interfere with the ability of Medicare to meet the

growing health care financing needs of the elderly and disabled.

While an averaging system does, in fact, result in cases that are underpaid in terms of costs, it also results in a balancing number of cases that are overpaid, with the majority of cases paid close to actual cost. Therefore, this methodology provides incentives for efficient care that were lacking in the cost-based method of payment. While we do intend to continue our refinement of the DRG system in order to achieve, as closely as possible, payment equity at the case level as well as at the hospital level, we do not anticipate nor do we advocate a return to a cost-based system of payment.

**Comment:** Some commenters urged us to continue work on improving the payment system for inpatient chemotherapy and to continue the study of the chemotherapy DRGs to determine how they might better accommodate existing and future therapies.

**Response:** As we noted above, we plan to monitor the performance of the classification change for chemotherapy patients who have a secondary diagnosis of acute leukemia compared to those having chemotherapy without a secondary diagnosis of acute leukemia. We will continue to evaluate the impact of other cancers, as well as other noncancer secondary diagnoses, on the resource consumption in these DRGs. As new therapies are introduced and identified, their effect on total charges will be evaluated.

#### 5. Multiple Significant Trauma (MDC 24)

We added a new MDC 24 (Multiple Significant Trauma) to the DRG system effective October 1, 1990, with four DRGs to classify multiple significant trauma cases. Discharges with a principal diagnosis of trauma (diagnosis codes 800.00 through 904.9, 910.0 through 929.9, and 950.0 through 959.9) group to MDC 24 if at least two significant trauma diagnosis codes from two different body site categories are reported as either principal or secondary diagnoses. We recognize eight different body site categories: head, chest, abdomen, kidney, urinary, pelvis and spine, upper limb, and lower limb. The eight body site categories and the diagnosis codes associated with each category were set forth in Table 6h of section IV of the addendum to the September 4, 1990 final rule (55 FR 36137). The DRGs in MDC 24 are the following:

DRG 484 Craniotomy for Multiple Significant Trauma

DRG 485 Limb Reattachment, Hip and Femur Procedures for Multiple Significant Trauma

DRG 486 Other OR Procedures for Multiple Significant Trauma

DRG 487 Other Multiple Significant Trauma

Since the implementation of this change, we have discovered that there were some omissions in our list of diagnosis codes by body site. Although these codes were included as principal diagnosis codes that will allow a case to group to MDC 24, they were not included in any of the body site categories. Thus, we proposed to add these diagnosis codes to the appropriate body site category as follows: Codes 839.00 through 839.18 (Dislocation of cervical vertebrae) to the "Pelvis and Spine" body site; codes 874.10 (Open wound to larynx and trachea, complicated) and 874.11 (Open wound of larynx, complicated) to the "Chest" category; and code 927.9 (Crushing injury of upper limb, unspecified site) to the "Upper Limb" category. We also proposed to move diagnosis code 874.12 (Open wound of trachea, complicated) from the "Head" to the "Chest" category and diagnosis code 954.9 (Injury to unspecified nerve of trunk) from the "Upper Limb" to the "Pelvis and Spine" category. These latter codes were incorrectly assigned in the September 4, 1990 final rule.

In addition, we proposed to move three hip replacement procedures (procedure codes 81.51 (Total hip replacement), 81.52 (Partial hip replacement), and 81.53 (Revision of hip replacement)) from DRG 486 to DRG 485 because these procedures are similar clinically and in terms of resource use to the cases assigned in DRG 485.

*Comment:* We received a comment supporting the proposed changes to MDC 24. However, the commenter recommended that these multiple trauma DRGs be revised to separate major joint replacement cases from limb reattachment cases since these two groups of cases are significantly different clinically and in terms of resources used.

*Response:* As noted above in our response to a similar comment on our DRG 209 proposal, we will include this item on our FY 1993 DRG analysis agenda.

#### 6. Addition of HIV-Related Conditions to MDC 25 (HIV Infections)

A new MDC 25 for Human Immunodeficiency Virus (HIV) Infections was added as a part of our FY 1991 DRG changes, which became effective October 1, 1990. HIV infections are identified by diagnosis codes 042.0 through 042.9 (HIV infection with

specified conditions), 043.0 through 043.9 (HIV infection causing other specified conditions), and, 044.0 through 044.9 (Other HIV infection). (See discussion in the September 4, 1990 final rule (55 FR 36019).) Cases are assigned to DRGs for HIV infection when the principal diagnosis is one of the HIV infection diagnosis codes (listed above) or when one of these codes is a secondary diagnosis and the principal diagnosis is a condition related to HIV infection (see below).

The three DRGs for HIV-infected patients are as follows:

DRG 488 HIV with Extensive OR Procedure

DRG 489 HIV with Major Related Condition

DRG 490 HIV with or without Other Related Condition

The OR procedures allowed for DRG 488 are all OR procedures other than nonextensive OR procedures (those procedures that result in assignment to DRG 477 when the procedure is unrelated to the principal diagnosis). If the HIV-related condition involves a disease or disorder of the central nervous system, a malignancy, an infection, or other major related condition, the case is assigned to DRG 489. The remaining cases, with or without an HIV-related condition, group to DRG 490.

The HIV-related conditions qualifying for classification to MDC 25 are limited to those conditions identified by the Centers for Disease Control (CDC) as being HIV related. These conditions are listed in Volume 1 of ICD-9-CM in the "Includes Only" notes under diagnosis codes 042.0, 042.1, 042.2, 043.1, 043.3, and 044.0. In addition, we listed all the HIV-related conditions in Table 6i in section IV of the addendum to the September 4, 1990 final rule (55 FR 36137). In that document, we stated that as CDC updated and expanded the list of HIV-related conditions, we would add any changes made to our classification system (55 FR 36021).

Effective October 1, 1991, CDC will expand the list of diagnoses identified as HIV-related conditions, and they will be added to the ICD-9-CM "Includes only" notes under the HIV infection diagnosis codes. We proposed to add these diagnoses to our list of HIV-related conditions. Thus, effective for discharges occurring on or after October 1, 1991, if any of these conditions is listed as principal diagnosis with a secondary diagnosis of HIV infection, it will be assigned to MDC 25 and one of the HIV DRGs. We have listed these additional HIV-related conditions in Table 6i, Additional HIV-Related Conditions Necessary for Assignment to MDC 25, in section IV of the addendum

to this final rule. In that table, we have indicated which conditions are considered to be major and thus would be assigned to DRG 489 when no extensive OR procedure is performed.

We received only one comment on this issue, which supported our changes to MDC 25. Thus, we are incorporating our proposal into this final rule unchanged.

#### 7. Surgical Hierarchies

Some inpatient stays entail multiple surgical procedures, each one of which, occurring by itself, could result in assignment of the case to a different DRG within the MDC to which the principal diagnosis is assigned. It is, therefore, necessary to have a decision rule by which these cases are assigned to a single DRG. The surgical hierarchy, an ordering of surgical classes from most to least resource intensive, performs that function. Its application ensures that cases involving multiple surgical procedures are assigned to the DRG associated with the most resource-intensive surgical class.

Because the relative resource intensity of surgical classes can shift as a function of DRG reclassification and recalibration, we reviewed the surgical hierarchy of each MDC, as we have for previous reclassifications, to determine if the ordering of classes coincided with the intensity of resource utilization, as measured by the same billing data used to compute the DRG relative weights.

A surgical class can be composed of one or more DRGs. For example, in MDC 5, the surgical class "heart transplant" consists of a single DRG and the class "coronary bypass" consists of two DRGs. Consequently, in many cases, the surgical hierarchy has an impact on more than one DRG. The methodology for determining the most resource-intensive surgical class, therefore, involves weighting each DRG for frequency to determine the average resources for each surgical class. For example, assume surgical class A includes DRGs 1 and 2 and surgical class B includes DRGs 3, 4, and 5, and that the average charge of DRG 1 is higher than that of DRG 3, but the average charges of DRGs 4 and 5 are higher than the average charge of DRG 2. To determine whether surgical class A should be higher or lower than surgical class B in the surgical hierarchy, we would weight the average charge of each DRG by frequency (that is, by the number of cases in the DRG) to determine average resource consumption for the surgical class. The surgical classes would then be ordered from the class with the highest average



resource utilization to that with the lowest, with the exception of "other OR procedures" as discussed below.

This methodology may occasionally result in a case involving multiple procedures being assigned to the lower-weighted DRG (in the highest, most resource-intensive surgical class) of the available alternatives. However, given that the logic underlying the surgical hierarchy provides that the GROUPE searches for the most resource-intensive procedure, which may sometimes occur in cases involving multiple procedures, this result is unavoidable.

We would like to point out, notwithstanding the foregoing discussion, that there are a few instances where a surgical class with a smaller average relative weight is ordered above a surgical class with a higher average relative weight. For example, the "other OR procedures" surgical class is uniformly ordered last in the surgical hierarchy of each MDC in which it occurs regardless of the fact that the weighting factor for the DRG or DRGs in that surgical class may be higher than that for other surgical classes in the MDC. The "other OR procedures" class is a group of procedures that are least likely to be related to the diagnoses in the MDC but are occasionally performed on patients with these diagnoses. Therefore, these procedures should only be considered if no other procedure more closely related to the diagnoses in the MDC has been performed.

A second example occurs when the difference between the average weights for two surgical classes is very small. We have found that small differences generally do not warrant reordering of the hierarchy since, by virtue of the hierarchy change, the weighting factors are likely to shift such that the higher-ordered surgical class has a lower average weight than the class ordered below it.

Based on the preliminary recalibration of the DRGs, we proposed to modify the surgical hierarchy as set forth below.

a. In MDC 8, we proposed to reorder Biopsies (DRG 216) above Hip and Femur Procedures Except Major Joint (DRGs 210, 211, and 212) and Amputations (DRG 213). In addition, we proposed to add the new Major Joint and Limb Reattachment Procedures of Upper Extremity (DRG 491) below Amputations. We also proposed to move Knee Procedures (DRGs 221 and 222) above Lower Extremity and Humerus Procedures Except Hip, Foot and Femur (DRGs 218, 219, and 220).

b. In the pre-MDC DRGs, we proposed to reorder Bone Marrow Transplant (DRG 481) above Tracheostomy Without

Mouth, Larynx or Pharynx Disorder (DRG 483).

We received two comments concerning surgical hierarchy. One comment supported our proposed reordering of DRG 481 above DRG 483, while another commenter protested the changes made to MDC 8.

*Comment:* We received a comment from an association of pediatric hospitals regarding two of the changes that we proposed in the MDC 8 surgical hierarchy. The commenter believes that the proposal to reorder Biopsies (DRG 216) above Hip and Femur Procedures Except Major Joint (DRGs 210, 211, and 212) is not supported by the average costs for these procedures in a pediatric population. The commenter states that the average costs for pediatric patients in DRG 216 (Biopsies) and in DRG 212 (Hip and Femur Procedures Except Major Joint Age 0-17) are similar. However, the average cost for DRG 216 is driven by a subgroup of very expensive patients, and the typical patient in DRG 216 is actually less expensive than the typical patient in DRG 212. Although the commenter did not oppose the proposal to reorder Knee Procedures (DRGs 221 and 222) above Lower Extremity and Humerus Procedures Except Hip, Foot and Femur (DRGs 218, 219, and 220), the commenter stated that the average costs of these two surgical classes are very similar for pediatric patients. Thus, the proposed change is not necessary for that population.

*Response:* The surgical hierarchies are based on Medicare charge data and are tailored to the Medicare population. Based on the final recalibration and the updated FY 1990 MEDPAR file, we have determined that it remains appropriate to implement the changes to the MDC 8 surgical hierarchy as proposed. While our charge data for DRG 216 does show a greater range of charges (that is, lower minimum and higher maximum charges) than DRGs 210 through 212, we need to account for the charges of all cases (that is, the expensive cases as well as the less expensive cases). We use an averaging process to determine the ordering of the surgical hierarchy. The difference in the average charges of these two surgical classes (\$1414) is significant enough to justify reordering DRG 216, with an average charge of \$12,799, above DRGs 210 through 212, with a combined average weighted charge of \$11,385.

#### 8. Refinement of Complications and Comorbidities List

There is a standard list of diagnoses that are considered complications or comorbidities (CCs). This list was

developed by physician panels to include those diagnoses that, when present as a secondary condition, would be considered a substantial complication or comorbidity. In preparing the original CC list, a substantial CC was defined as a condition that, because of its presence with a specific principal diagnosis, would increase the length of stay by at least one day for at least 75 percent of the patients.

Based upon clinical review by our medical consultants and analysis of the charge data in the FY 1990 MEDPAR file, we proposed to revise the list of diagnoses that are considered to be CCs as follows:

- We proposed to add the following diagnoses to the CC list:

293.81 Organic delusional syndrome  
293.82 Organic hallucinosis syndrome  
293.83 Organic affective syndrome  
453.8 Venous embolism and thrombosis of other specified veins  
453.9 Venous embolism and thrombosis of unspecified site  
690.0 Psoriatic arthropathy  
733.81 Malunion of fracture  
733.82 Nonunion of fracture

Each of these diagnosis codes will be considered a CC for any principal diagnosis not shown in Table 6g, Additions to the CC Exclusions List (see discussion of CC Exclusions list, in section IV of the addendum below).

- We proposed to delete the following diagnoses from the CC list:

318.2 Profound mental retardation  
429.0 Myocarditis, unspecified  
447.0 Arteriovenous fistula, acquired  
448.0 Hereditary hemorrhagic telangiectasia  
457.2 Lymphangitis  
500 Coal worker's pneumoconiosis  
501 Asbestosis  
502 Pneumoconiosis due to other silica or silicates  
503 Pneumoconiosis due to other inorganic dust  
504 Pneumonopathy due to inhalation of other dust  
505 Pneumoconiosis, unspecified  
571.1 Acute alcoholic hepatitis  
607.1 Balanoposthitis  
607.2 Other inflammatory disorders of penis  
607.3 Priapism  
619.0 Urinary-genital tract fistula, female  
619.1 Digestive-genital tract fistula, female  
619.2 Genital tract-skin fistula, female  
619.8 Other specified fistulas involving female genital tract  
619.9 Unspecified fistula involving female genital tract  
683 Acute lymphadenitis  
708.0 Allergic urticaria  
788.0 Renal colic  
790.8 Viremia, unspecified

Each of these diagnoses will no longer be considered a CC for any principal diagnosis.

We proposed a limited revision of the CC Exclusions List, which includes corrections of errors in the existing list, addition of a number of excluded CCs, and deletion of a number of excluded CCs. These proposed changes were made in accordance with the principles established when we created the CC Exclusions List in 1987.

Tables 6g and 6h in section IV of the addendum to this final rule contain the revisions to the CC Exclusions List that are effective for discharges occurring on or after October 1, 1991. Each table shows the principal diagnoses with changes to the excluded CCs. Each of these principal diagnoses is shown with an asterisk and the additions or deletions to the CC Exclusions List are provided in an indented column immediately following the affected principal diagnosis.

CCs that are added to the list are in Table 6g—Additions to the CC Exclusions List. Currently, the indented diagnoses are recognized by the GROUPER as valid CCs for the asterisked principal diagnosis but will be excluded and thus ignored by the GROUPER beginning with discharges on or after October 1, 1991.

CCs that are deleted from the list are in Table 6h—Deletions from the CC Exclusions List. Currently, the indented diagnoses are excluded and are not recognized by the GROUPER as valid CCs for the asterisked principal diagnosis but, except for those diagnoses that are being removed from the CC list altogether, will be recognized as valid CCs beginning with discharges on or after October 1, 1991.

Copies of the original CC Exclusions List applicable to FY 1988 can be obtained from the National Technical Information Service (NTIS) of the Department of Commerce. It is available in hard copy for \$67.00 and on microfiche for \$16.50, plus \$3.00 for shipping and handling. A request for the FY 1988 CC Exclusions List, which should include the identification accession number ((PB) 88-133970), should be made to the following address: National Technical Information Service, United States Department of Commerce, 5285 Port Royal Road, Springfield, Virginia 22161, or by calling (703) 487-4650.

Users should be aware of the fact that all revisions (that is, FYs 1989, 1990, and 1991 revisions) to the CC Exclusions List and those in Tables 6g and 6h of this document must be incorporated into the list purchased from NTIS in order to obtain the CC Exclusions List applicable for discharges occurring on or after October 1, 1991.

Alternatively, the complete documentation of the GROUPER logic, including the current CC Exclusions List, is available from 3M/Health Information Systems (HIS), which, under contract with HCFA, is responsible for updating and maintaining the GROUPER program. The DRG Definitions Manual, Eighth Revision, which includes the changes in this document, is available for \$195.00, which includes \$15.00 for shipping and handling. This manual may be obtained by writing 3M/HIS at: 3M/HIS, 100 Barnes Road, Wallingford, Connecticut 06492, or by calling (203) 949-0303.

*Comment:* One commenter, while in agreement with the additions to the CC list, did not agree with several of the deletions from the CC list. This commenter requested that we describe how we analyzed the charge data in deciding which CCs to delete from the CC list. The commenter also inquired whether the cases with diagnoses deleted from the CC list had different charges and length of stays than other cases in the same DRG.

*Response:* Our method for determining which diagnoses to delete from the list of CCs consisted primarily of three steps. First, we established a subgroup of patients in those DRGs with CC/non-CC pairs where the diagnosis under consideration was the only CC for that case. Then we compared the average charge for that subset of patients to the average charge for the DRGs to which they were currently assigned (that is, the CC DRGs). We then computed the average charge for the DRGs to which the case would be classified if the diagnosis were treated as non-CC (that is, the non-CC DRGs). If the average charge for the cases in subset one, where the only CC was the diagnosis being considered for deletion, was approximately equal to or less than the average charge for the DRGs with the same diagnosis treated as a non-CC, then we considered this diagnosis for deletion from the list of CCs.

After we had prepared a list of possible CC deletions, we asked our medical staff to review each diagnosis on the list for clinical significance as a CC. In addition, we considered the code category of the diagnosis proposed to be deleted. If one or more codes in a three digit ICD-9-CM diagnosis group qualified for deletion, we reviewed any codes remaining within that group for possible deletion. In many cases, there were not enough cases with a particular diagnosis reported as the only CC to allow us to conduct an average charge analysis. However, if all or most of the codes in a particular code category were either already not CCs or were on our

suggested deletion list, we generally did not leave one code as a CC. This was particularly true when the only code that would remain on the list was an "Unspecified" or "Not elsewhere classified" subcategory. We believe that leaving only one of those codes on the CC list would create opportunities to use a nonspecific diagnosis code to qualify as a CC if other related diagnoses were not qualified CC diagnoses. Therefore, we did not have average charge data on every code we proposed to delete. When we deleted an entire category, we had data available on one or more of the codes and deleted the remaining codes on a clinical basis and to prevent misuse of the code.

In summary, we analyzed the CC diagnosis code by comparing average charges for the DRGs with only that specific CC to the average charges for the DRGs to which the case would be assigned with the CC and to the average charge for the DRGs with the diagnosis as a non-CC; we considered the inclusion or exclusion of related diagnoses; and we subjected the list of diagnoses to be deleted from the CC list to the review of physicians on the HCFA staff, as well as consulting physicians.

*Comment:* One commenter supported removal of diagnosis code 788.0 (Renal colic) from the CC list. The commenter stated that classifying renal colic as a CC provided opportunity to manipulate the urinary DRG assignments and, by removing this diagnosis from the list of CCs, we are reducing this possibility. Further, it was suggested that we also remove diagnosis codes 786.3 (Hemoptysis) and 599.7 (Hematuria) from the list.

*Response:* We are aware of the importance of maintaining as CCs only those diagnoses that truly result in increased resource use and length of stay when present with nonrelated principal diagnoses. We understand the attraction of coding CCs to attain assignment to the higher-weighted CC DRG. We attempt to give recognition to those diagnoses that meet the definition of a CC while keeping the list free of diagnoses that are not specific, are present in a majority of hospital stays, are easily miscoded, or do not contribute to higher resource use.

In the case of the other conditions mentioned by the commenter as candidates for removal from the CC list, hemoptysis and hematuria, we note that these codes were included in our analysis of existing CCs. Using the results of our analysis, both diagnosis codes 599.7 and 786.3 are overpaid in the DRGs where they classify as a CC. However, for both codes, especially for

786.3, removal as a CC would result in substantial underpayment for these cases. These diagnoses will remain as CCs, but we will re-evaluate them, as well as all the other diagnosis that remain on the CC list, as part of our DRG analysis for next year.

*Comment:* Commenters noted that new diagnosis code 535.00 (Acute gastritis without hemorrhage) was not identified as a CC in Table 6A of the proposed rule.

*Response:* Currently, the diagnosis code 535.0 (Acute gastritis) is considered to be a CC. Effective October 1, 1991, this diagnosis category is expanded by adding a fifth digit "0," without hemorrhage, or "1," with hemorrhage. We determined that acute gastritis without hemorrhage should not be considered a CC. This is consistent with the CC treatment of other diagnosis codes in this category. For example, acute gastrojejunal ulcer with hemorrhage (codes 534.00 and 534.01) is a CC whether or not an obstruction is present, but acute gastrojejunal ulcer without mention of hemorrhage or perforation (codes 534.30 and 534.31) is a CC only when an obstruction is present. We believe that the hemorrhage is the reason these codes should be considered CCs and not just the acute gastritis. We note that the other specified gastritis with hemorrhage (code 534.41) is considered a CC and that without hemorrhage (code 534.40) is not.

*Comment:* Several commenters questioned the removal of specific diagnoses from the CC list. Two commenters objected to the removal of diagnosis codes 571.1 (Acute alcoholic hepatitis) and 790.8 (Viremia). Several commenters stated their objection to the removal of diagnosis code 318.2 (Profound mental retardation) as a CC. These objections were based on the commenters' belief that these diagnoses increase resource consumption as expressed in increased length of stay, charges, or intensity of service.

*Response:* As discussed in detail in a previous response, in our evaluation of CCs, we analyzed separately the average charges for the DRG to which these CCs currently group for the cases with only the one CC, and for the DRGs to which the diagnosis would group if it was considered a non-CC. For cases in which each of the questioned diagnoses was the only CC, hospitals were significantly overpaid. We believe that removing these diagnoses from the CC list results in more equitable payment, with charges for the cases with the deleted CC approximately the average charge of the DRG to which the cases are classified when the diagnoses are

treated as non-CCs. Continuing to classify cases to DRGs with a CC assignment would cause substantial overpayment for those cases in the short run and, in the long run, would result in lowering the weight for these DRGs by decreasing the average charges.

We note that one of the commenters who questioned the deletion of diagnosis code 318.2 represents a children's hospital association. While we are aware of the fact that changes we make in the Medicare DRG system may have an impact on these hospitals with regard to other payment systems that use our DRGs, we remind the commenter that the prospective payment system, and the DRG classifications in particular, are based on Medicare data and are designed for the Medicare population, that is, the elderly and disabled. Therefore, changes and modifications we make to that system may not always be appropriate for a younger population, such as the one treated most often in children's hospitals.

#### 9. Review of Procedure Codes in DRGs 468 and 477

Each year, we review cases assigned to DRG 468 (Extensive OR Procedure Unrelated to Principal Diagnosis) in order to determine whether, in conjunction with certain principal diagnoses, there were certain procedures performed that are not currently included in the surgical hierarchy for the MDC in which the diagnosis falls. In FY 1989, this review resulted in the addition of DRG 476 (Prostatic OR Procedure Unrelated to Principal Diagnosis) and DRG 477 (Non-Extensive OR Procedure Unrelated to Principal Diagnosis). For a detailed discussion of these changes, see the September 30, 1988 final rule (53 FR 38487).

Since DRG 468 is reserved for those cases in which none of the OR procedures is related to the principal diagnosis, it is intended to capture atypical cases, that is, those cases not occurring with sufficient frequency to represent a distinct, recognizable clinical group. DRGs 476 and 477 are assigned to specific subsets of these cases. DRG 476 is currently assigned to those discharges in which one of the following prostatic procedures is performed and it is unrelated to the principal diagnosis:

- 60.0—Incision of prostate
- 60.12—Open biopsy of prostate
- 60.15—Biopsy of periprostatic tissue
- 60.18—Other diagnostic procedures on prostatic and periprostatic tissue
- 60.2—Transurethral prostatectomy
- 60.61—Local excision of lesion of prostate

- 60.69—Prostatectomy NEC
- 60.93—Repair of prostate
- 60.94—Control of (postoperative) hemorrhage of prostate
- 60.99—Other operations on prostate

DRG 477 is assigned to those discharges in which the only procedures performed are nonextensive procedures that are unrelated to the principal diagnosis. The original list of the ICD-9-CM procedure codes for the procedures we consider nonextensive procedures if performed with an unrelated principal diagnosis was published in Table 6c in section IV of the addendum to the September 30, 1988 final rule (53 FR 38591). As a part of the September 4, 1990 final rule, we moved a large number of procedures from DRG 468 to 477. We listed the procedure codes in Table 6g in section IV of the addendum to that final rule (55 FR 36135).

We annually conduct a review of procedures producing DRG 468 or 477 assignments on the basis of volume of cases in these DRGs with each procedure. Our medical consultants then identify those procedures occurring in conjunction with certain principal diagnoses with sufficient frequency to justify adding them to one of the surgical DRGs for the MDC in which the diagnosis falls. This year's review did not identify any changes that are necessary; therefore, we did not propose to move any procedures from DRGs 468 or 477 to one of the surgical DRGs.

However, because of an ICD-9-CM coding revision, we proposed to add a procedure to DRG 476. Effective October 1, 1991, procedure code 60.95 (Transurethral balloon dilation of the prostatic urethra) will be added to the ICD-9-CM. Since this is an OR procedure that is clinically similar to the other procedures that currently group to DRG 476 when they are performed on patients with an unrelated principal diagnosis, we proposed to add procedure code 60.95 to the list of DRG 476 prostatic procedures.

We also reviewed the list of OR procedures that produce DRG 468 assignments to ascertain if any of those procedures should be moved to the list of nonextensive procedures that produce DRG 477 assignments. We analyzed the charge and length of stay data for cases assigned to DRG 468 to identify those procedures that are associated with discharges that are more similar to the discharges that currently group to DRG 477 than to the discharges that group to DRG 468. Generally, we consider moving only those procedures for which we have an adequate number of discharges to analyze the data.

Based on our analysis, we proposed to add the following two procedures to the list of nonextensive procedures that group to DRG 477:

53.41 Repair of umbilical hernia with prosthesis

53.49 Other umbilical herniorrhaphy

These cases will group to DRG 477 instead of DRG 468 beginning with discharges on or after October 1, 1991.

We received no comments concerning our proposals for DRGs 476 and 477. Therefore, we are incorporating these proposals into the final DRG classification changes.

#### 10. Changes to the ICD-9-CM Coding System

As discussed above in section III.B.1 of this preamble, the ICD-9-CM is a coding system for the reporting of diagnoses and procedures performed on a patient. In September 1985, the ICD-9-CM Coordination and Maintenance Committee was formed. This is a Federal interdepartmental committee charged with the mission of maintaining and updating the ICD-9-CM. This includes approving new coding changes, developing errata, addenda, and other modifications to the ICD-9-CM to reflect newly developed procedures and technologies and newly identified diseases. The Committee is also responsible for promoting the use of Federal and non-Federal educational programs and other communication techniques with a view toward standardizing coding applications and upgrading the quality of the classification system.

The Committee is co-chaired by the National Center for Health Statistics (NCHS) and HCFA. The NCHS has lead responsibility for the ICD-9-CM diagnosis codes included in Volume 1—Diseases: Tabular List and Volume 2—Diseases: Alphabetic Index, while HCFA has lead responsibility for the ICD-9-CM procedure codes included in Volume 3—Procedures: Tabular List and Alphabetic Index.

The Committee encourages participation in the above process by major health-related organizations. In this regard, the Committee holds public meetings for discussion of educational issues and proposed coding changes. These meetings provide an opportunity for input into coding matters from representatives of recognized organizations in the coding fields, such as the American Medical Record Association (AMRA), the American Hospital Association (AHA), and various physician specialty groups as well as physicians, medical record administrators, and other members of

the public. After considering the opinions expressed at the public meetings, the Committee formulates recommendations, which then must be approved by the agencies.

The Committee presented proposals for coding changes at public meetings held on April 23, July 26, and December 7, 1990 and finalized the coding changes after consideration of comments received at the meetings and in writing in the 30 days following the December 7, 1990 meeting. The initial meeting for consideration of coding issues for resolution in FY 1992 and held on May 2, 1991 and a second meeting was held on August 1-2, 1991. Copies of the minutes of these meetings may be obtained by writing to the co-chairpersons representing NCHS and HCFA. We encourage commenters to address suggestions on coding issues involving diagnosis codes to: Ms. Sue Meads, R.R.A. Co-Chairperson, ICD-9-CM Coordination and Maintenance Committee, NCHS, Rm. 9-58, 6525 Belcrest Road, Hyattsville, Maryland 20782.

Questions and comments concerning the procedure codes should be addressed to: Ms. Patricia E. Brooks, Co-Chairperson, ICD-9-CM Coordination and Maintenance Committee, HCFA, Office of Coverage Policy, Rm. 401 East High Rise Building, 6325 Security Boulevard, Baltimore, Maryland 21207.

The ICD-9-CM code changes that have been approved will become effective October 1, 1991. The new ICD-9-CM codes are listed, along with their DRG classifications, in Tables 6a and 6b (New Diagnosis Codes and New Procedure Codes, respectively) in section IV of the addendum to this final rule.

Further, the Committee has approved the expansion of certain ICD-9-CM codes to require an additional digit for valid code assignment. Diagnosis codes that have been replaced by expanded codes or have been deleted are in Table 6c (Invalid Diagnosis Codes). Procedure codes that have been replaced by expanded codes or have been deleted are in Table 6d (Invalid Procedure Codes). These diagnosis and procedure codes will not be recognized by the GROUPE beginning with discharges occurring on or after October 1, 1991. The corresponding new expanded codes are included in Tables 6a and 6b. Revisions to diagnosis and procedure code titles are in Tables 6e (Revised Diagnosis Code Titles) and 6f (Revised Procedure Code Titles), which also include the DRG assignments for these revised codes.

We received several comments on the new ICD-9-CM codes and their DRG assignments.

*Comment:* One commenter disagreed with the proposed DRG assignments of three new diagnosis codes. The commenter stated that diagnosis code 670.00 (Major puerperal infection, unspecified as to episode of care or not applicable) should be assigned to DRG 469 (Principal Diagnosis Invalid as Discharge Diagnosis), not to DRGs 383 and 384 (Other Antepartum Diagnosis) as proposed. The commenter stated that all other pregnancy codes ending with a fifth digit of "0" (that is, unspecified as to episode of care or not applicable) group to DRG 469.

The commenter also disagreed with the proposed DRG assignment of diagnosis codes 670.02 (Major puerperal infection, delivered, with mention of postpartum complication) and 672.02 (Pyrexia of unknown origin during the puerperium, delivered, with mention of postpartum complication) to DRGs 370 and 371 (Cesarean Section), and 372, 373, 374, and 375 (Vaginal Delivery With and Without Complicating Diagnosis, With Sterilization and/or D.&C., or With Other OR Procedure, respectively). The commenter believes that these codes should not be assigned to DRG 373 (Vaginal Delivery Without Complicating Diagnoses). The commenter stated that in the DRG Definitions Manual published by 3M/HIS, these codes currently are considered complicating diagnoses and do not group to DRG 373.

*Response:* We agree with the commenter that diagnosis code 670.00 should be assigned to DRG 469, not to DRGs 383 and 384. We also agree that diagnosis code 670.02 as well as diagnosis code 672.02 should be assigned to DRGs 370, 371, 372, 374, and 375, and not to DRG 373. We did not propose this assignment; it was a typographical error in the Federal Register publication. We note that there was also a typographical error in that document concerning the proposed DRG assignment of new diagnosis code 204.01 (Acute lymphoid leukemia in remission). DRG 401 was erroneously included with the correct DRG assignments of code 204.01 to DRGs 400, 405, and 473.

Contrary to the commenter's assertion, not all pregnancy codes with a fifth digit of "0" are assigned to DRG 469. For example, the following "unspecified as to episode of care or not applicable" codes are assigned to DRG 379 (Threatened Abortion): 640.00 (Threatened abortion), 640.80 (Other specified hemorrhage in early pregnancy), and 640.90 (Unspecified hemorrhage in early pregnancy). In

addition, codes 641.30 (Antepartum hemorrhage associated with coagulation defects), 642.50 (Severe pre-eclampsia), 642.60 (Eclampsia), and 642.70 (Pre-eclampsia or eclampsia superimposed on pre-existing hypertension) are assigned to DRG 383 (Other Antepartum Diagnosis with Medical Complication) when present with other diagnosis codes as well as to DRG 469.

*Comment:* One commenter noted an error in one of the proposed assignments of new procedure code 51.23 (Laparoscopic cholecystectomy). The commenter pointed out that DRG 198 (Cholecystectomy without Common Duct Exploration (C.D.E.), without CC) is not in MCD 17 (Myeloproliferative Diseases and Disorders and Poorly Differentiated Neoplasms), as is listed in Table 6b of the proposed rule (56 FR 25263).

Another commenter requested that Medicare begin paying for laparoscopic cholecystectomies now that we have established a separate code for them. The commenter cited the advantages of this procedure over the traditional cholecystectomy, which uses a more invasive approach, such as reduction in the hospitalization period (from 5 to 7 days to 1 day or no inpatient stay), reduction in the recuperation period (from 5 to 6 weeks to 1 week to 10 days), and reduced pain and discomfort for the patient. The commenter also stated that approval of the procedure should result in cost savings to the Medicare program.

*Response:* There was a typographical error in the listing of MDC assignments of new procedure code 51.23 in Table 6b of the proposed rule. The commenter is correct in stating that DRG 198 is in MDC 7.

With regard to the coverage under Medicare of laparoscopic cholecystectomy, HCFA recently received an assessment for coverage of the laparoscopic cholecystectomy procedure from the Public Health Service (PHS). We are developing coverage instructions for the laparoscopic cholecystectomy procedure. In cases where the procedure is covered by Medicare during an inpatient hospital stay, we will make payment for it under the DRG system.

*Comment:* We received one comment on the proposed DRG assignments of the revised procedure codes. The commenter believes that DRGs 193 and 194 (Biliary Tract Procedure Except Only Cholecystectomy with or without C.D.E.) should be added to the DRG assignments for the revised procedure code 51.22 (Cholecystectomy), because the DRG Definitions Manual published by 3M/HIS lists DRGs 193 and 194 as current 51.22 assignments.

*Response:* Procedure code 51.21 (Partial cholecystectomy), not code 51.22, is currently assigned to DRGs 193 and 194. Procedure code 51.21 will become an invalid code effective October 1, 1991. Currently, procedure code 51.22 is entitled "Total cholecystectomy" and is assigned to DRGs 195 through 198, 400, 406, 407, 442, 443, and 486. Effective October 1, 1991, the title of procedure code 51.22 will be revised to "Cholecystectomy" and the DRG assignments will remain the same as prior to the code title revision.

*Comment:* One commenter stated that each year in the proposed rule some of the codes that will be included in the MCE edits are announced; for example, the "non-OR" status of procedure codes is indicated. However, other edits are not provided to the public. The commenter believes that, in order to ensure accurate data reporting, all changes that affect the DRG system should be stated in the proposed and final rules. The commenter also requested confirmation that new diagnosis codes 176.9 (Kaposi's sarcoma, unspecified) and 524.60 (Temporomandibular joint disorders, unspecified) will be included in the MCE as nonspecific principal diagnoses.

*Response:* As noted above in section III.B.1 of this preamble, the MCE is a claims processing tool used by the fiscal intermediaries to ensure that Medicare claims are processed and paid correctly. In general, the MCE identifies claims that may need further development before payment, such as those that present conflicting information (for example, a claim for a female that also includes surgery for the prostate), nonspecific or unacceptable principal diagnosis or nonspecific or noncovered procedures, or invalid codes. The information in the MCE is not needed by hospitals to ensure correct coding. If hospitals code claims with correct ICD-9-CM codes and according to coding guidelines and ensure that all the remaining information on the claim matches the patient's status, then the claims will generally not be rejected during the MCE edit and will be processed correctly and timely by the intermediary. We believe that the information that is published in the proposed and final prospective payment rules is adequate to inform the public of the changes we are making as well as allow them to develop their own version of the GROUPE program. Since the MCE is an internal HCFA processing device and has no implication for correctly coded cases, we do not believe providing a description of any MCE changes we might make is necessary.

The "Non-OR" information provided in Tables 6b, 6d, and 6f (for new, invalid, and revised procedure codes, respectively) is included in the proposed rule to inform the public that the procedure is a nonoperating room (non-OR) procedure. Typically, these procedures do not affect DRG assignment; thus, they do not have a DRG assignment listed. However, a few non-OR procedures do affect DRG assignment and are indicated by a footnote "Non-OR procedure that affects DRG assignment" in Tables 6b, 6d, and 6f. This information is not provided in reference to the MCE.

Regarding the commenter's request for verification of code assignment, new diagnosis codes 176.9 and 524.60 will be included in the edit for nonspecific principal diagnosis.

#### 11. Expansion of Diagnosis and Procedure Reporting Fields on the UB-82 Form

In the May 9, 1990 proposed rule (55 FR 19459), in response to the ProPAC recommendation, we announced our intention to expand to 10 the number of fields available for reporting diagnosis and procedure codes on the UB-82 billing form (the billing form used for Medicare discharges). We agreed with ProPAC that this expansion was necessary to ensure complete medical information reporting and expressed our intention to implement a revised form that would allow the reporting of 10 codes in each field for discharges occurring on or after October 1, 1990. The current UB-82 form limits these fields to five diagnosis and three procedure codes.

Based upon comments we received in response to the May 9, 1990 proposal and our own analysis of the situation, we stated in the September 4, 1990 final rule (55 FR 36068) that we would delay implementation of an expansion of the UB-82 billing form to accept additional diagnosis and procedure codes until October 1, 1991. We also agreed to do more analysis on the number of codes necessary to optimize DRG refinement. Based upon our analysis of the FY 1990 MEDPAR file and data from the California Statewide Discharge Data Set, we announced in the June 3, 1991 proposed rule that we will expand the UB-82 billing form to include 9 diagnosis fields and 6 procedure code fields effective for discharges occurring on or after October 1, 1991. We estimated that this expansion will encompass approximately 95 percent of the diagnosis and procedure codes reported.

In the proposed rule, we stated that we will continue to work with the



National Uniform Bill Committee on revising the UB-82 to accommodate these expanded fields. Until the billing form is revised, hospitals are to use the "Remarks" section of the bill to report the additional codes. With the expanded fields, we believe that there will be adequate room for hospitals to completely code virtually all inpatient hospital discharges. As we noted in the proposed rule, we expect hospitals to fully code every case using the Uniform Hospital Discharge Data Set (UHDDS) definitions and instructions as well as the coding guidelines set forth in the *Coding Clinic for ICD-9-CM (Coding Clinic)*, published quarterly by the AHA for use by hospitals. *Coding Clinic* provides specific diagnosis and procedure information and guidelines that are helpful for determining proper coding.

**Comment:** The comments received regarding the UB-82 billing form and our intention to expand the available fields for reporting diagnosis and procedures from 5 to 9 and from 3 to 6, respectively, were almost unanimously supportive and favorable. The commenters agreed that it is necessary to expand the available reporting fields for both diagnosis and procedures to enable identification of additional information that will enhance our reporting and analytical capacity. However, many commenters expressed concern about the date of implementation of the changes. Their concerns included the need to allow time to prepare data forms and systems to accommodate this expansion and to allow a phase-in period for implementing claims processing revisions required by the change. Most commenters requested that we postpone implementation for 6 months to allow hospitals time to change their reporting systems, while several commenters requested that no expansion be implemented until after the UB-82 form is revised to accommodate the expansion.

**Response:** Last year, in response to our May 9, 1990 proposed rule (55 FR 19459), we received many similar comments requesting delay in the implementation of the expanded reporting fields, which we had originally intended to be effective October 1, 1990. In our September 4, 1990 final rule (55 FR 36068), we stated that we would delay implementation of an expansion of the UB-82 billing form to accept the additional diagnosis and procedure codes until October 1, 1991. Therefore, hospitals, intermediaries, and other interested parties have known for more than a year that this change was imminent. The National Uniform Billing

Committee (NUBC), of which HCFA is a member, has agreed to modify the UB-82 billing form to accommodate this request for additional data fields. The revised form should be available October 1, 1992.

However, we agree with the commenters that there may be a need for some delay in the expansion to allow hospitals time to revise their internal claims reporting systems. Although these hospitals were aware that a change was going to be made, it was not until publication of the proposed rule on June 3, 1991 that the exact number of diagnosis and procedure codes was known. In light of this fact, we have decided to allow those hospitals that are capable of reporting the expanded number of codes to begin reporting as of October 1, 1991; however, for those hospitals that have to make internal changes to accommodate the expansion, we will delay the requirement to expand coding until April 1, 1992. Effective with discharges occurring on or after April 1, 1992, we expect that all hospitals will be coding at the level of nine diagnosis and six procedure codes. The fiscal intermediaries will be prepared to accept the expanded nine diagnosis and six procedure codes effective October 1, 1991.

In response to those commenters who requested that we delay the expansion of the coding until the UB-82 form is revised, we note that currently only 10 percent of the inpatient hospital claims are submitted on that form. The vast majority of the inpatient hospital claims are submitted electronically. For those claims submitted on the form, we have stated that any codes that do not fit in the prescribed space may be entered in the "Remarks" section of the bill. The instructions that accompany the UB-82 already explain how to accomplish this procedure. While several commenters stated that this was either inadequate or risky because it would lead to commingling of the diagnosis and procedure codes in the "Remarks" section, we note that the instructions for the form require that any continuation in that field must be identified by reporting the field location of the continued data. Therefore, if a diagnosis field is being continued, the number of the diagnosis field on the UB-82 form is noted in "Remarks" followed by the additional codes. Similarly, reporting the additional procedures requires identification of the procedure field in "Remarks." This alone should be sufficient to distinguish diagnosis codes from procedure codes. In addition, procedure codes are accompanied by the date the procedure is performed. Again, we believe that any

overflow into "Remarks" should not cause problems. We note that, of the 10 percent of claims that are submitted using the UB-82 form, only a small percentage will contain more than the five diagnosis and three procedure code fields already provided.

HCFA appreciates that hospitals, whether their billing systems are electronic or paper driven, require implementation time to accommodate the required expansion of reported fields. We believe the 6-month delay in requiring that the expanded codes be reported is sufficient to prepare systems, as well as to educate hospital staff on these new requirements.

**Comment:** One commenter, while strongly supporting the proposal to increase the number of data fields for diagnosis and procedure codes for UB-82, requested information on whether HCFA's analysis of the number of fields necessary to accommodate hospital coding included a review of the number of diagnosis and procedure codes reported for sick infants. The question was raised due to concern that a sick neonatal population would require more than nine diagnosis and six procedure fields to accommodate all the necessary reporting.

**Response:** As noted in the proposed rule (56 FR 25188), in determining the number of fields needed for complete reporting of diagnoses and procedures, we used not only Medicare claims data but also data from a study completed by the California Patient Discharge Data, which included 3.5 million discharge records from the general population. While it is not known how many of these records represent "sick infants," we assume that the number of them included was proportional to their number in the hospital inpatient population.

**Comment:** One commenter asked whether the additional diagnoses and procedures would be used in the calculation of the DRG or if the additional codes would be used for informational purposes only without having an impact on DRG assignment.

**Response:** To the extent that the reported information in the expanded fields represents diagnoses that are valid CCs recognized in the Grouper version in operation at the time of reporting or that the procedures reported are considered necessary to the classification of the case to a DRG, the information reported in the additional fields will be considered in assignment to a DRG. However, we believe that, in most cases, the current number of fields already adequately provides for these diagnoses and procedures. Our main

purpose in expanding the fields is to provide us with additional information that we need to allow us to base future DRG classification revisions on the most complete possible data analysis.

*Comment:* One commenter requested that HCFA restate its instructions on the proper use of the UB-82 form for reporting diagnoses and procedure codes. That is, even though the form is expanded to accommodate 9 diagnoses and 6 procedure codes, only those diagnoses and procedures that affect the treatment provided or the length of stay or both are to be reported.

*Response:* As we stated in the proposed rule (56 FR 25188), we expect hospitals to continue to code using the Uniform Hospital Discharge Data Set (UHDDS) definitions and instructions. We neither expect nor want hospitals to begin coding minor procedures or diagnoses that do not affect the hospital stay. The current UHDDS instructions provide for the coding of a principal diagnosis (the condition determined after study to be chiefly responsible for the admission to the hospital) and secondary diagnoses that are present on admission, develop during the stay, and affect the treatment received, the length of stay, or both. In addition, all significant procedures are to be reported. A significant procedure is one that is surgical in nature, carries a procedural or anesthetic risk or both, or requires specialized training to perform.

The Peer Review Organizations (PROs) will continue to review the diagnoses and procedures reported on the UB-82 as a part of their DRG validation review. PROs review the medical record to assure that the diagnostic and procedural information reported by the hospital and resulting in the DRG assignment by the intermediary matches the information in the medical record. This review includes verifying the accuracy of principal diagnosis and any secondary diagnoses as well as the major procedures performed.

*Comment:* Another comment raised the issue of the Medicare physician attestation requirement. Under the regulations at § 412.46(a), each diagnosis and each procedure on the bill must be attested to by the attending physician prior to submitting the claim. The commenter expressed concern that the increased number of diagnoses and procedures might cause a substantial delay in the hospital's billing process and asked if there was any possibility of revising or relaxing the attestation requirement. The commenter suggested that we consider requiring that the physician attest only to those diagnoses or procedures that affect the DRG assignment, while allowing additional

diagnoses and procedures to be reported without attestation.

*Response:* As provided in § 412.46(a), before a claim is submitted, the attending physician must attest to the principal diagnosis, secondary diagnoses, and names of major procedures performed. While expanding the number of fields to report diagnoses and procedures will increase the possible number of these items to which the physician must attest, we do not anticipate that this will incur a substantial increase in the time necessary to submit a claim. Although our primary objective in expanding these fields is to provide data for informational purposes, this additional information may serve in future DRG classification revisions. It is, therefore, necessary to ensure that the information on the claim is correct and reliable, even if the information is not essential to current DRG assignment. Hence, we are not recommending any modification to the physician attestation requirement, and the attending physician will continue to attest to all diagnoses and major procedures included on the claim.

## 12. Other Issues

*Intractable epilepsy.* Effective October 1, 1989, the diagnosis codes identifying epilepsy were modified by the addition of a fifth digit, which distinguished intractable from nonintractable epilepsy. (See Table 6A—New Diagnosis Codes, in section IV of the addendum to the September 1, 1989 final rule (54 FR 36547)). This modification added a fifth digit of "0" to specify "without mention of intractable epilepsy" and a fifth digit of "1" to identify intractable epilepsy cases to diagnosis codes 345.0, 345.1, and 345.4 through 345.9. Patients with a principal diagnosis of 345.00 through 345.11 and 345.40 through 345.91 are assigned to MDC 1 (Diseases and Disorders of the Nervous System). These cases group to DRG 1 (Craniotomy Age > 17 Except Trauma) or DRG 3 (Craniotomy Age 0-17) when surgery is performed and to DRG 24, 25, or 26 (Seizure and Headache) when there is no operating room procedure performed.

Effective October 1, 1989, we also added two new procedure codes to identify procedures typically performed in the diagnosis and treatment of intractable epilepsy patients. (See Table 6b—New Procedure Codes, in section IV of the addendum to the September 1, 1989 final rule (54 FR 36549).) These new codes are 89.10 (Intracarotid amobarbital test) and 89.19 (Video and radio-telemetered electroencephalographic monitoring).

In the September 1, 1989 final rule, at the time the new codes were announced, we stated that these codes would allow us to collect and evaluate data concerning resource requirements for patients with intractable epilepsy compared to patients with routine epilepsy and to determine whether any additional classification changes should be proposed once the FY 1990 data were available (54 FR 36461). Accordingly, we analyzed the FY 1990 MEDPAR data, comparing cases with intractable and nonintractable epilepsy with and without procedures 89.10 and 89.19. As a result of this analysis, we found that, while cases with intractable epilepsy assigned to DRGs 24, 25, and 26 incurred higher charges than those cases without intractable epilepsy, the differences are not significant enough to warrant any DRG classification changes at this time. Therefore, we did not propose to make any DRG classification changes concerning epilepsy.

We received several comments disagreeing with our decision not to make any change in classification for intractable epilepsy. The specific comments and our responses follow.

*Comment:* One commenter identified a mistake in the proposed rule in our reference to the ICD-9-CM diagnosis codes that distinguish intractable from nonintractable epilepsy. In that document, we stated that the fifth digit of 0 or 1 is required for all the codes ranging from 345.0 through 345.9. (See 56 FR 25188.) The commenter states that this is incorrect; only subcategories 345.0, 345.1, and 345.4 through 345.9 require the fifth digit.

*Response:* The commenter is correct. We erroneously identified 345.0 through 345.9 as the range of codes in which a fifth digit of "0" defines nonintractable epilepsy and a fifth digit of "1" defines intractable epilepsy. The correct codes are, as stated by the commenter, 345.0, 345.1, and 345.4 through 345.9. Neither 345.2 (Petit mal status) nor 345.3 (Grand mal status) may be appropriately assigned as either intractable or nonintractable epilepsy. These are status codes, while the other codes in this series are disease codes.

*Comment:* Several commenters disagreed with our decision not to modify the existing classification for epilepsy patients but to maintain DRGs 24, 25, and 26 (Seizure and Headache) without change. These commenters indicated that their experience is that intractable epilepsy patients incur significantly higher charges than nonintractable epilepsy patients. Some of the commenters recommended that we modify the classifications so that all



patients with intractable epilepsy would be classified under DRG 24 (Seizure and Headache with CC, Age >17), as the weight assigned to that DRG recognizes the severity and greater resource needs for these patients and should therefore provide a more appropriate level of payment. Another commenter detailed the differential costs for treatment of intractable and nonintractable epilepsy patients, stating that changes in the DRG system need to be made to enable hospitals to continue to treat these patients.

**Response:** Since publication of the proposed rule, we have continued our analysis of intractable and nonintractable epilepsy using the most current update of the FY 1990 MEDPAR file. Our further evaluation supports our prior analysis, that is, that intractable epilepsy cases do incur higher charges than nonintractable patients, but not significantly high enough to warrant reclassification of these cases.

We do not agree with the recommendation that all intractable epilepsy cases be classified as CC cases and, thus, be assigned to DRG 24. While it is the intent of the DRG logic to assign cases that incur greater resource consumption due to the presence of CCs to a higher-weighted DRG, it is not intended that all cases, including those without a CC, that incur resource consumption above the average be assigned to a higher-weighted DRG. The GROUPER system assigns cases by diagnosis, procedure, and age, with further classification in some cases determined by the presence or absence of select secondary diagnoses (CCs); the system is not designed to group cases by greater or lesser charges. To do so would establish a precedent that would undermine one of the basic tenets of the patient classification system. The purpose of the prospective payment system is not to pay for the costs of individual cases, but to pay an average, with some cases falling above and some below this average. To initiate a grouping that defies this principal, by establishing a group for only high cost cases, would defeat the objective of the prospective payment system to provide incentives for efficient care.

**Comment:** One commenter stated that our analysis was limited because we are unable to examine the resource requirements specific to the comprehensive evaluation for intractable epilepsy patients. This comment defines a comprehensive medical evaluation as involving video and electroencephalographic monitoring with surface and possibly sphenoidal electrodes, cognitive testing, and other

diagnostic procedures. The monitoring is stated to be the key diagnostic component of the comprehensive evaluation. There is concern that the existing coding system is not sufficient to distinguish the severity of patients nor the highly technical multidisciplinary treatment required for intractable epilepsy patients with comprehensive evaluation. The commenter hopes that HCFA will work with national epilepsy organizations in clarifying the ICD-9-CM codes, so that the comprehensive medical evaluations for intractable seizure patients can be coded.

**Response:** As we stated in the proposed rule (56 FR 25188), codes are now available that will identify specific procedures performed on epilepsy patients in addition to the codes that distinguish intractable from nonintractable epilepsy. Our analysis of the MEDPAR data included identification of cases with the use of these codes. To date, the differences found in cases reporting these procedure codes have been minimal. However, we have identified problems in the reporting of the procedure codes and in the need for specificity in coding the services performed in treating intractable epilepsy patients. HCFA's Medical Coding Policy staff has been, and continue to, work with the professional community to ensure correct, adequate coding for these cases.

#### b. Automatic Implantable Cardioverter Defibrillator (AICD).

**Comment:** We received a large number of comments that recommended that AICD replacement cases be moved from DRG 120 (Other Circulatory System OR Procedures) and reassigned to a DRG that more accurately reflects the resources incurred during the replacement procedure, preferably a DRG with a weight of at least 3.7208. These comments were based on studies commissioned by the manufacturer of the AICD device, who contracted three studies on AICD replacements in the last 3 years. These studies concluded that the average standardized charges for AICD replacement cases have been consistently understated in the MEDPAR file. One commenter included a copy of an updated version of the study, based on FY 1990 MEDPAR data. This update states that—

- Hospitals purchasing the AICD device have improved their coding and billing, with 65 percent correctly coded and billed;
- 42 percent of AICD replacement cases were from hospitals that never purchased the device;

- Correctly coded cases have an average standardized charge of \$18,922;
- Miscoded cases have an average standardized charge of \$10,231; and
- All cases coded with AICD have an average standardized charge of \$15,925.

One commenter noted that the GROUPER logic assigned AICD cases to DRG 112 (Percutaneous Cardiovascular Procedures) when electrophysiology (EP) studies were performed, as these procedures take precedence over AICD replacements. The result is that these cases group to DRG 112, which has a slightly lower weight than DRG 120, and, therefore, receives a lower payment.

**Response:** In the September 4, 1990 final rule (55 FR 36023), we stated that, based on our analysis of the FY 1989 MEDPAR data, we believe that the classification of cases with replacement or insertion of AICD leads or pulse generator alone to DRG 120 is appropriate. Our analysis of FY 1990 MEDPAR data continues to support this decision. While the manufacturer's study analyzed charges for only AICD generator, implant, and replacement (procedure codes 37.96 (Implantation of automatic cardioverter/defibrillator pulse generator only) and 37.98 (Replacement of automatic cardioverter/defibrillator pulse generator only)), our analysis also included procedure codes, 37.95 (Implantation of automatic cardioverter/defibrillator lead(s) only) and 37.97 (Replacement of cardioverter/defibrillator lead(s) only). Examining these procedures, separately and in aggregate, indicates that, while the charges for AICD were above the average charge for DRG 120, this difference was well within the variation in charges above and below the average charge for that DRG, which was \$13,470 in FY 1990. The distribution of the 954 AICD cases in our FY 1990 MEDPAR file for DRG 120 indicate that the majority (91 percent) of cases received AICD generator replacements, with an average charge of \$15,925, which is above the manufacturer's threshold value of \$15,000.

We note that both coding and billed charges are being more accurately reported, although the manufacturer's study indicates that there is still much room for improvement. As we stated in the September 4, 1990 final rule (55 FR 36023), we furnished the information provided by the commenters about potential improper coding and billing to the PROs for their review. In addition, we have sent instructions to our fiscal intermediaries and carriers concerning AICD cases. In Transmittal No. 1525 (May 1991), we instructed intermediaries

to return to the hospital any claim with procedure codes 37.94, 37.95, 37.96, 37.97, and 37.98 for which total charges are less than \$17,000. The providers are to be instructed to review the procedure codes and total charges to be sure they are correct. We have also instructed carriers, which process the Medicare Part B claims, to deny charges under Part B for any defibrillator implant furnished in support of surgery during an inpatient hospital stay (Transmittal No. 1393, May 1991). These charges are to be included on the inpatient bill and not billed separately. We hope that these changes will assist in the improvement of the AICD data in MEDPAR file. Although we believe that AICD cases continue to be classified appropriately in DRG 120 based on the MEDPAR data, we intend to review these cases as a part of our DRG analysis and evaluation for FY 1993. As a part of that review, we will also address the problem cited by the final commenter concerning assignment of AICD cases with EP studies to DRG 112.

c. DRG 112 (Percutaneous Cardiovascular Procedures). *Comment:* We received one comment suggesting that DRG 112 be split into two separate DRGs based on the presence or absence of CCs. The commenter stated that using this criterion for differentiating discharges assigned to DRG 112 could result in preventing the systematic underpayment to hospitals serving a disproportionately large share of the complicated cases that are assigned to DRG 112 while at the same time preventing the overpayment to hospitals serving a disproportionately large share of the uncomplicated cases assigned to that DRG.

*Response:* Our analysis of DRG 112 cases with and without CC indicates that both the length of stay and charges are somewhat higher for those cases with a CC condition. However, we do not believe that the difference is significant enough to warrant a change in the structure of the DRG.

A review of each of the DRGs that are not split on the basis of CCs would most likely reveal the same findings as our DRG 112 analysis did. That is, cases with CCs tend to result in longer stays and higher charges. We do not, however, split a DRG on the basis of CCs unless the CC cases consistently have significantly higher charges. One measure of charge variation is the coefficient of variation, which indicates the degree of variance from the average in charges. The coefficient of variation is computed by dividing the standard deviation by the average charge. Currently, DRG 112 has a coefficient of

variation of approximately 70, which is not atypical for a DRG and would indicate that a CC split is not warranted.

As we have noted in several previous prospective payment final rules, the prospective payment system is not designed so that the payment received covers the full cost of every discharge. A hospital's payment may be greater than its costs for some cases or some DRGs, and less than its costs for other cases or other DRGs. While the Medicare prospective payment amount may not cover the complete cost of care for some cases that develop complications or involve more severe illnesses or multiple procedures, there are likely to be many cases in which the Medicare payment exceeds the cost of treating the patients. The excess payments received in these latter cases should offset the shortfall for higher cost cases. Thus, the prospective payment system is intended to provide an incentive for hospitals to manage their operations more efficiently by evaluating those areas in which increased efficiencies can be instituted without adversely affecting the quality of care and by treating a mix of patients so that payment in excess of cost on one case will offset the costs in excess of payment on another case.

d. *Liver transplants.* On April 12, 1991, we published, in the Federal Register (56 FR 15006), a final notice to provide Medicare coverage for liver transplants for adults for certain conditions. As a part of our FY 1991 prospective payment final rule, in anticipation of this final coverage notice, we established a separate DRG for liver transplants (DRG 480) effective for discharges occurring on or after October 1, 1990. Because the final notice provides for coverage of these procedures as early as March 8, 1990 under certain circumstances, we are clarifying in this document how payment will be made during the period prior to our establishment of the new DRG.

Although the proposed notice concerning coverage of liver transplants for adults, which was published on March 8, 1990 (55 FR 8545), proposed to classify these cases in a DRG with a weight of 21.0000, this weight was based on relatively old Medicare bill data (1984) and a sample of claims from three hospitals from 1983 and 1984. As was discussed in detail in the September 4, 1990 final rule (55 FR 36011) as well as the April 12, 1991 final coverage notice (56 FR 15009), we calculated a final weight for DRG 480 of 15.2645 based on 29 liver transplant cases in the FY 1989 MEDPAR file. This is the weight we intend to use to pay any covered liver transplant cases performed on or after

March 8, 1990 (the first possible date of coverage) and before October 1, 1990, the effective date of the September 4, 1990 final rule.

We considered classifying those transplants performed before October 1, 1990 to the DRGs to which the cases would have grouped prior to that date; that is, to DRGs 191 and 192 (Pancreas and Liver Shunt Procedures) if the principal diagnosis is classified in MDC 7 and to DRG 468 if the principal diagnosis groups to MDC 10 and no other surgical procedure related to that diagnosis is performed. However, classification of liver transplants to those DRGs was made prior to our coverage of those procedures for adults, and, thus, the relative weights of those DRGs do not reflect the high resource intensity of a liver transplant. Therefore, we believe that the equitable policy would be to pay those covered liver transplants performed for discharges before October 1, 1990 using the relative weight assigned to DRG 480 for FY 1991.

e. *Bone Marrow Transplants.* While the coverage guidelines for bone marrow transplants have not been changed, we wish to alert hospitals to a few changes in the diagnoses codes that affect classification of bone marrow transplant cases. Effective October 1, 1991, as set forth in Table 6A of section IV of the addendum to this final rule, a fifth digit has been added to the ICD-9-CM diagnosis codes for leukemia. Codes for leukemias "in remission" have a fifth digit of "1," and leukemias "without mention of remission" have a fifth digit of "0." Therefore, we will no longer use the V10.60-V10.69 codes to specify leukemias in remission. Instead, we will use the new five-digit leukemia codes that specify "in remission."

In addition, in the coverage guidelines for autologous bone marrow transplants (procedure code 41.01) and in the September 4, 1990 final rule (55 FR 36013), the following ICD-9-CM diagnosis codes were omitted from the list of codes for resistant non-Hodgkin's lymphomas:

- 200.00-200.08
- 200.10-200.18
- 200.20-200.28
- 200.80-200.88
- 202.00-202.08
- 202.90-202.98

These codes are added to the previously listed codes 202.80 through 202.88 for non-Hodgkin's lymphomas.

To summarize, bone marrow transplant cases will be assigned to DRG 481 (Bone Marrow Transplant) when the following criteria are met:

- Procedure code 41.01 (Autologous bone marrow transplant) is performed

and any one of the following is either a principal or secondary diagnosis:

- Acute leukemia, in remission (diagnosis codes 204.01, 205.01, 206.01, 207.01, and 208.01).
- Resistant non-Hodgkin's lymphomas (diagnosis codes 200.00–200.08, 200.10–200.18, 200.20–200.28, 200.80–200.88, 202.00–202.08, 202.80–202.88, and 202.90–202.98).
- Advanced Hodgkin's disease (diagnosis codes 201.00–201.08, 201.10–201.18, 201.20–201.28, 201.40–201.48, 201.50–201.58, 201.60–201.68, 201.70–201.78, 201.90–201.98).
- Recurrent or refractory neuroblastoma (diagnosis codes 140.0–199.1).
- Either procedure code 41.02 (Allogeneic bone marrow transplant with purging) or 41.03 (Allogeneic bone marrow transplant without purging) is performed and any one of the following is either a principal or secondary diagnosis:
  - Leukemia or leukemia in remission (diagnosis codes 204.00 — 208.91)
  - Aplastic anemia (diagnosis codes 284.0 — 284.9)
  - Wiskott-Aldrich syndrome (diagnosis code 279.12)
  - Severe combined immunodeficiency disease (SCID) (diagnosis code 279.2)

### C. Recalibration of DRG Weights

One of the basic issues in recalibration is the choice of a data that allows us to construct relative DRG weights that most accurately reflect current relative resource use. Since FY 1986, the DRG weights have been based on charge data. The latest recalibration, which was published as a part of the FY 1991 prospective payment final rule, used hospital charge information from the FY 1989 MEDPAR file. For a discussion of the options we considered and the reasons we chose to use charge data beginning in FY 1986, we refer the reader to the rules published on June 10, 1985 (50 FR 24372) and September 3, 1985 (50 FR 35652).

We proposed to use the same basic methodology for the FY 1992 recalibration as we did for FY 1991. (See the September 4, 1990 final rule (55 FR 36033).) That is, we proposed to recalibrate the weights based on charge data for Medicare discharges. However, we proposed to use the most current charge information available, the FY 1990 MEDPAR file, rather than the FY 1989 MEDPAR file. The MEDPAR file is based on fully-coded diagnostic and surgical procedure data for all Medicare inpatient hospital bills.

The proposed recalibrated DRG relative weights were constructed from FY 1990 MEDPAR data, received by

HCFA through December 1990, from all hospitals subject to the prospective payment system and short-term acute care hospitals in waiver States. The MEDPAR file at that time included data for approximately 9.8 million Medicare discharges. The MEDPAR file updated through June 1991 includes data for approximately 10.1 million discharges, and this is the file used to calculate the weights set forth in Table 5 of the addendum to this final rule.

The methodology used to calculate the DRG weights from the FY 1990 MEDPAR file is as follows:

- All the claims were regrouped using the revised DRG classifications discussed above in section III.B of this preamble.

• Charges were standardized to remove the effects of differences in area wage levels, indirect medical education costs, disproportionate share payments, and, for hospitals in Alaska and Hawaii, the applicable cost-of-living adjustment.

• The average standardized charge per DRG was calculated by summing the standardized charges for all cases in the DRG and dividing that amount by the number of cases classified in the DRG.

• We then eliminated statistical outliers using the same criterion as was used in computing the current weights. That is, all cases outside of 3.0 standard deviations from the mean of the log distribution of charges per case for each DRG were eliminated.

• The average charge for each DRG was then recomputed excluding the statistical outliers and divided by the national average standardized charge per case to determine the weighting factor.

• We established the weighting factor for heart transplants (DRG 103) in a manner consistent with the methodology for all other DRGs except that the heart transplant cases that were used to establish the weight were limited to those Medicare-approved heart transplant centers that have cases in the FY 1990 MEDPAR file. Similarly, we limited the liver transplant cases that were used to establish the weight for DRG 480 (Liver Transplant) to those hospitals that are established liver transplant centers.

• Acquisition costs for kidney, heart, and liver transplants continue to be paid on a reasonable cost basis. Unlike other excluded costs, the acquisition costs are concentrated in specific DRGs (DRG 302 (Kidney Transplant); DRG 103 (Heart Transplant); and DRG 480 (Liver Transplant)). Because these costs are paid separately from the prospective payment rate, it is necessary to make an adjustment to prevent the relative weights for these DRGs from including

the effect of the acquisition costs. Therefore, we subtracted the acquisition charges from the total charges on each transplant bill that showed acquisition charges prior to computing the average charge for the DRG and prior to eliminating statistical outliers.

When we recalibrated the DRG weights for previous years, we set a threshold of 10 cases as the minimum number of cases required to compute a reasonable weight. In the FY 1989 MEDPAR data used to establish the FY 1991 weights, there were 35 DRGs that contained fewer than 10 cases. We proposed to use that same case threshold in recalibrating the DRG weights for FY 1992. In the FY 1991 recalibration, we computed the weight for the 35 low-volume DRGs by adjusting the original weights of these DRGs by the percent change in the weight of the average case in the remaining DRGs. We proposed to use this same methodology for the FY 1992 recalibration. Using the FY 1990 MEDPAR data set, there are 37 DRGs that contain fewer than 10 cases.

The weights developed according to the methodology described above, using the proposed DRG classification changes, result in an average case weight that is different from the average case weight before recalibration. Therefore, the new weights are normalized by an adjustment factor, so that the average case weight after recalibration is equal to the average case weight prior to recalibration. This adjustment is intended to ensure that recalibration by itself neither increases nor decreases total payments under the prospective payment system.

In developing the FY 1990 weights, we made an across-the-board 1.22 percent reduction to the weights after normalization to take into account increases in the average case weight attributable to reclassification and recalibration changes between FY 1986 and FY 1988 (54 FR 36469). Section 6003(b) of Public Law 101–239 enacted section 1886(d)(4)(C)(ii) of the Act to ratify the 1.22 percent reduction to the DRG weights but required in section 1886(d)(4)(C)(iii) of the Act that reclassification and recalibration changes in subsequent years (beginning with FY 1991) be made in a manner that assures that the aggregate payments are not greater or less than the aggregate payments that would have been made without the changes. Section 1886(d)(4)(C)(iv) of the Act requires that the Secretary include recommendations regarding any adjustments to the weights in his annual report to the Congress (required under section

1886(e)(3)(B) of the Act) on his initial estimate of his recommendation for the prospective payment update factor for the coming year.

We also interpret section 1886(d)(4)(C)(iii) of the Act to require that we ensure the FY 1992 reclassification and recalibration changes do not affect aggregate payments. Although normalization is intended to achieve this effect, equating the average case weight after recalibration to the average case weight before recalibration does not necessarily achieve budget neutrality with respect to aggregate payments to hospitals. Therefore, as discussed in section II.A.4.b of the Addendum to this final rule, we are making a budget neutrality adjustment to assure the requirement of section 1886(d)(4)(C)(iii) of the Act is met.

As discussed above in section III.B.2 of this preamble, one of the reclassification changes that we made in FY 1990 involved the implementation of the new five-digit codes for cases with a diagnosis of acute myocardial infarction (AMI). Consistent with our policy at the time, which predated the enactment of Public Law 101-239, we assigned the revised codes for nonacute AMIs to DRGs 132 and 133, which we believed were the appropriate DRGs for payment purposes. Because we were unable to identify which cases in the FY 1988 MEDPAR file would no longer be assigned to DRGs 121 and 122, we left all the AMI cases in those DRGs in recalibrating their weights. In addition, because we could not identify which cases would no longer be assigned to DRGs 121 and 122, we could not determine an appropriate adjustment to the DRG weights for DRGs 121 and 122 and DRGs 132 and 133 to reflect the new DRG assignment.

ProPAC, as a part of its March 1, 1991 report, recommended that a one-time adjustment be made during the FY 1992 DRG recalibration process to account for the reassignment of the nonacute AMI cases in FY 1990 (Recommendation 5). ProPAC believes that the reassignment of the cases before the change could be accounted for in the recalibration policy resulted in inappropriately low weights for acute AMIs assigned to DRGs 121 and 122 and nonacute AMIs assigned to DRGs 132 and 133. ProPAC also believes that this adjustment is necessary to prevent the underpayment for these cases from being carried forward into the future.

The type of adjustment ProPAC recommended is similar to the -1.22 percent adjustment that we made in FY 1990 to account for increases in the case-mix index attributable to DRG

reclassification changes. We believe that in amending section 1886(d)(4)(C)(ii) of the Act, Congress intended that no adjustment be made in the DRG weights to make allowances for the impact of previous reclassification changes. As we did for FY 1991, we have taken into account in our update recommendation for FY 1992 any effect previous DRG changes had on aggregate payments (See appendix B). We note that just as the AMI change may have inadvertently reduced aggregate payments, other changes may have increased payments. We believe that any adjustment should be for the net effect of all reclassification changes. Therefore, we did not adopt ProPAC's recommendation. We received one comment that supported a one-time adjustment to the DRG weights to account for the reassignment of nonacute AMI cases in FY 1990. In support of this adjustment, the commenter cited the adjustment HCFA made in FY 1990 to account for increases in the average case weight attributable to reclassification and recalibration changes between FY 1986 and FY 1988.

*Response:* As we noted in the proposed rule (56 FR 25190) and above, we believe that in enacting section 6003(b) of Public Law 101-239, which amended section 1886(d)(4)(C)(ii) of the Act to require that reclassification and recalibration changes in FY 1991 be made in a budget neutral manner, Congress intended that no further adjustments be made similar to the one we made in FY 1990. Therefore, we continue to believe that no special adjustment should be made for the AMI classification change in FY 1990. We note that ProPAC, in its comments submitted in response to the proposed rule, did not take issue with our decision not to make an adjustment to the DRG weights.

#### IV. Changes to the Hospital Wage Index

##### A. Background

Section 1886(d)(2)(C)(ii) of the Act required, as part of the process of developing separate urban and rural standardized amounts for FY 1984, that we standardize the average cost per case of each hospital for differences in area wage levels. Sections 1886(d)(2)(H) and 1886(d)(3)(E) of the Act have required that the standardized urban and rural amounts be adjusted for area variations in hospital wage levels as part of the methodology for determining prospective payments to hospitals. To fulfill both of these requirements, we constructed an index that reflects average hospital wages in each urban

and rural area as a percentage of the national average hospital wage.

In determining prospective payments to hospitals in FY 1990, the wage index was based on wage data from cost reporting periods beginning in FY 1984. Section 6003(h)(6) of Public Law 101-239 amended section 1886(d)(3)(E) of the Act to require that wage indexes that are applied to the labor-related portion of the national average standardized amounts of the prospective payment system be updated not later than October 1, 1990, and, thereafter, updated annually beginning October 1, 1993. The September 4, 1990 final rule (55 FR 35990) set forth a revised hospital wage index that was based on a HCFA survey of hospital wage and salary data for all hospitals subject to the prospective payment system with cost reporting periods ending in calendar year 1988. Home office costs and fringe benefits associated with hospital and home office salaries were included in the updated wage index. Nonhospital costs were excluded from the wage index.

In the September 4, 1990 final rule (55 FR 36041), we implemented a 1-year phase-in of the updated wage index for FY 1991 to lessen the impact of the most significant changes in wage index values. We limited the percentage change in the wage index value to 8 percent plus 50 percent of the difference between the 8 percent threshold and the new wage index value.

Section 115(a) of Public Law 101-403 extended the use of the area wage index applicable to prospective payment system hospitals that was in effect on September 30, 1990 (that is, the wage index in use in FY 1990, which was based on 1984 hospital wage data) to discharges occurring on or after October 1, 1990 and before October 21, 1990. Section 4007(a)(3) of Public Law 101-508 further extended use of the FY 1990 wage index for prospective payment hospitals for discharges occurring on or after October 21, 1990 and before January 1, 1991. These changes were announced in the January 7, 1991 notice, Legislative Changes Concerning Payment to Hospitals for Federal Fiscal Year 1991 (56 FR 562).

Section 4002(d)(1)(A) of Public Law 101-508 specified that a wage index based on 1988 hospital wage data would be effective for discharges occurring on or after January 1, 1991 and before October 1, 1993. Also, section 4002(d)(1)(B) of Public Law 101-508 specified that the Secretary must apply the wage index without regard to a previous survey of wages and wage-related costs. Therefore, in the January 7, 1991 final rule with comment period,

Mid-Year FY 1991 Changes to the Inpatient Hospital Prospective Payment System (56 FR 568), we revised the wage index to eliminate the 1-year transition period set forth in the September 4, 1990 final rule.

*B. Revisions to the Hospital Wage Index for FY 1992*

For discharges occurring in FY 1992, the wage index continues to be based solely on 1988 wage data. In addition, in determining the wage index for discharges occurring on or after October 1, 1991, we have incorporated all corrections of errors that have been identified in the survey wage data since the construction of the wage index implemented in the January 7, 1991 final rule. The final revised national average hourly wage is \$13.9752 compared to \$13.9602 used to establish the wage index values that were effective for discharges occurring on or after January 1, 1991. With the higher national average wage, the wage index values for areas for which there were no changes in the average hourly wage (through either wage corrections or geographic reclassifications) decreased 0.1 percent from the January 1 values.

The wage indexes are provided in Tables 4a through 4c in the addendum to this final rule.

*C. Revisions to the Wage Index Based On Hospital Reclassifications*

Under section 1886(d)(8)(B) of the Act, for discharges occurring on or after October 1, 1988, hospitals in certain rural counties adjacent to one or more Metropolitan Statistical Areas (MSAs) are considered to be located in one of the adjacent MSAs if certain standards are met. Under this provision, as a part of the September 30, 1988 prospective payment system final rule, we classified the wage data for those rural areas as if the hospitals in those areas were located in the adjacent MSAs and recomputed the wage index values for the affected MSAs and rural areas.

Because inclusion of the wage data from rural hospitals that are considered to be located in an adjacent MSA under section 1886(d)(8)(B) of the Act resulted in the reduction of the wage index values of several MSAs and rural areas, Congress enacted section 8403(a) of the Technical and Miscellaneous Revenue Act of 1988 (Pub. L. 100-647). Under that provision, which added a new section 1886(d)(8)(C) to the Act, if the inclusion of wage data from rural hospitals now considered to be located in an urban area resulted in a reduction of the wage index value for the affected MSA, or resulted in a reduction of the wage index value for the rural area from

which these data were now excluded, then the wage index values for those affected areas were determined as if section 1886(d)(8)(B) of the Act had not been enacted. In addition, the wage index value for hospitals located in rural counties that were deemed urban was determined on a county-specific basis as if the county were a separate urban area. This provision was implemented as part of the September 1, 1989 prospective payment system final rule (54 FR 36476).

For some hospitals in counties redesignated as urban under the provisions of section 1886(d)(8)(B) of the Act, the application of county-specific wage index values for FY 1990 resulted in lower total prospective payments than what those hospitals had received in FY 1989 because those hospitals were now subject to a lower wage index value. For some redesignated hospitals, such as those that had a county-specific wage index value lower than the Statewide rural wage index, the decrease in payment was significant. In fact, some county-specific wage index values were so low that some rural hospitals redesignated as urban hospitals received lower payments (even though they were paid the urban standardized amount) than they would have received if they had not been redesignated.

In order to address the adverse impact on certain redesignated hospitals that resulted from implementation of section 8403(a) of Public Law 100-647, Congress revised the methodology for applying the wage index to hospitals affected by section 1886(d)(8)(B) of the Act. This change was effective for discharges occurring on or after April 1, 1990. As amended by section 6003(h)(3) or Public Law 101-239, section 1886(d)(8)(C) of the Act made the application of the wage index to redesignated hospitals dependent on the hypothetical impact that the wage data from these hospitals would have on the wage index value for the MSA to which they have been redesignated. Consistent with the changes prescribed by section 6003(h)(3), prior to January 1, 1991 the wage index values were determined by considering the following:

- If including the wage data for the redesignated hospitals reduced the MSA wage index value by one percentage point or less, the MSA wage index value was applied to the redesignated hospitals deemed to be a part of that MSA. The MSA wage index value was determined exclusive of the wage data for the redesignated hospitals.

- If including the wage data for the redesignated hospitals reduced the MSA wage index value by more than one

percentage point, the wage index was calculated separately for the MSA and for the hospitals deemed to be part of that MSA. In this case, the redesignated hospitals had their wage index determined on a county-specific basis, as if their county were a separate urban area. However, the wage index for such county could not be less than the Statewide rural wage index. (As described below, this part of the methodology was subsequently revised by Pub. L. 101-508.)

- Rural areas whose wage index values would be reduced by excluding the data for redesignated hospitals had their wage index calculated as if no redesignation had occurred. Those rural areas whose wage index values increase as a result of excluding the wage data for the redesignated hospitals had their wage index calculated exclusive of the redesignated hospitals.

Section 4002(h) of Public Law 101-508 amended section 1886(d)(8)(C) of the Act effective for discharges occurring on or after January 1, 1991 by specifying that if including the wage data for the redesignated hospitals reduces the wage index value for the area to which the hospitals are redesignated by more than one percentage point, the hospitals that are redesignated are subject to the wage index value of the area that results from including the wage data of the redesignated hospitals in this calculation. However, under section 1886(d)(8)(C)(iii) of the Act, the wage index value for the redesignated hospitals cannot be less than the wage index value for the rural areas of the State in which the hospitals are located. We note that the other two steps for determining the wage index values for redesignated hospitals were unchanged by this provision.

Section 6003(h)(1) of Public Law 101-239 added section 1886(d)(10) to the Act (which was later amended by section 4002(h) of Pub. L. 101-508) to provide for the establishment of the Medicare Geographic Classification Review Board (MGCRB). The MGCRB considers applications by hospitals for geographic reclassification for purposes of payment under the prospective payment system. The first hospital reclassifications based on decisions of the MGCRB will take effect October 1, 1991.

The methodology for determining the wage index values for redesignated hospitals is applied jointly to the hospitals located in those rural counties that were deemed urban under section 1886(d)(8)(B) of the Act and those hospitals that are redesignated as a result of the MGCRB decisions under section 1886(d)(10) of the Act. We note



that, except for those rural areas where reclassifications would reduce the rural wage index value, the wage index value for each area is computed exclusive of the data for hospitals that have been granted reclassification from the area for purposes of their wage index. As a result, there were several MSAs listed in Table 4a of the June 3, 1991 proposed rule that did not have a wage index value. This is because the hospitals in the original MSA were reclassified to another area and there were no other hospitals currently classified in those areas.

The revised wage index values effective for discharges occurring on or after October 1, 1991, are shown in Tables 4a, 4b, and 4c, of the addendum to this final rule. Hospitals that are redesignated should use the wage index values shown in Table 4c. It should be noted that for some areas, more than one wage index value will be shown in Table 4c. This occurs when hospitals from more than one State are included in the group of redesignated hospitals, and one State or more has a higher Statewide rural wage index value than the wage index value otherwise applicable to the redesignated hospitals.

#### *Revised Table Names*

Table 4a—Wage Index for Urban Areas  
Table 4b—Wage Index for Rural Areas  
Table 4c—Wage Index for Redesignated Hospitals

The FY 1992 wage index values incorporate all reclassification decisions made by the MGCRB that will be effective for FY 1992. The wage index values published in this final rule are different from those proposed in the June 3, 1991 proposed rule as a result of additional decisions made by the MGCRB since the publication of the proposed rule as well as changes in decisions that resulted from hospital appeals, discretionary review by the Administrator, and withdrawals of reclassification requests. The resulting classification changes have affected not only the wage index values for specific geographic areas, but also whether redesignated hospitals receive the wage index value of the area to which they are redesignated or a combined wage index value that includes the data for both the hospitals already in the area and for all hospitals redesignated to the area. Further, the wage index values for the areas from which some hospitals are redesignated have also been affected.

*Comment:* Many commenters expressed concern about the reductions in the wage index values for urban areas that lost hospitals as a result of the reclassification of some hospitals from

those areas. Some commenters suggested that we apply the same protection to urban areas as section 1886(d)(8)(C)(ii) of the Act affords to rural areas, that is, to prevent a rural area from having its wage index value reduced as a result of geographic reclassifications.

*Response:* As described above, section 1886(d)(8)(C) of the Act (as amended by section 4004(h)(1)(A) of Public Law 101-508) sets forth an explicit methodology for determining the effect of reclassifications on the wage index values of various groups of hospitals. This provision provides certain "hold harmless" protections that apply to hospitals that are not reclassified. Rural hospitals that are not reclassified are protected under section 1886(d)(8)(C)(ii) of the Act, since the wage index value for any rural area cannot be reduced as a result of the reclassification of hospitals from that area. Hospitals located in an urban area to which other hospitals with lower wage costs are reclassified are also protected. Under section 1886(d)(8)(C)(i) of the Act, they continue to receive the wage index for the urban area computed excluding the wage data for the reclassified hospitals. However, hospitals located in an urban area from which other hospitals with higher wage costs are reclassified do not receive "hold harmless" protection. Their wage index values fall because there is no provision requiring that the higher wage costs of the reclassified hospitals be retained in the wage index calculation as if no reclassification occurred. The only statutory provision that may be interpreted to help some of these hospitals is section 1886(d)(8)(C)(iii) of the Act, since it provides that hospital reclassifications under sections 1886(d)(8)(B) or 1886(d)(10) of the Act may not result in the reduction of any county's wage index value below the wage index value for rural areas in the State in which the county is located.

In order to provide more than a partial remedy to this situation, we considered using the general exceptions authority under section 1886(d)(5)(I) of the Act to provide the same "hold harmless" protection that the statute affords to rural areas when hospitals are reclassified from those areas. That is, we considered providing that the wage index value for an urban area could not be reduced due to the reclassification of hospitals from that area. However, we do not believe this action would be appropriate.

The statute is very specific with respect to the treatment of the wage index values for geographic areas from which and to which hospitals have been

reclassified. Moreover, the statutory requirement of budget neutrality specifically applies only to reclassifications and wage index recomputations that occur as prescribed under the statute. If we were to create a new "hold harmless" rule, and to specify that the new rule would be treated for purposes of budget neutrality as if authorized under section 1886(d)(8)(C) of the Act, we would be making a significant change in the scheme constructed by Congress. This change would need to be adopted through rulemaking, and, even then, our authority might be challenged by hospitals concerned with the resulting further reduction in the urban standardized amounts. Furthermore, we are generally reluctant to rely on the exceptions authority for the purpose of rewriting the statute to supply what may have been left out through oversight or inadvertence. Therefore, even though the change may be warranted, we believe that it should be made through legislation.

Given all these considerations, and particularly the need for rulemaking, we believe it would be highly problematic to establish in this final rule a policy that would preclude wage index reductions for urban areas that lose hospitals through reclassification.

*Comment:* A number of commenters pointed out that section 1886(d)(8)(C)(iii) of the Act should be interpreted to apply to those urban areas whose wage index values were reduced below the Statewide rural wage index due to the reclassification of hospitals from those areas. Other commenters suggested that this provision be expanded to protect hospitals in urban areas whose wage index values were already below the Statewide rural wage index value and were further reduced because of the reclassification of hospitals from those areas. That is, for hospitals in these areas, the wage index values prior to reclassifications should be maintained at their pre-reclassification values.

*Response:* Section 1886(d)(8)(C)(iii) of the Act states that, "[t]he application of subparagraph (B) or a decision of the Medicare Geographic Classification Review Board or the Secretary under paragraph (10) may not result in the reduction of any county's wage index to a level below the wage index for the rural areas in the State in which the county is located." We originally interpreted this provision to mean that the reclassification of hospitals to an area could not result in that area's wage index value falling below the Statewide rural wage index value. However, we agree with the commenters that this

provision may also be interpreted to prevent the wage index value of an area from which hospitals are reclassified from falling below the Statewide rural wage index value. Accordingly, we are adopting this interpretation. In computing the wage index values published in Tables 4a, b, and c in section IV of the addendum to this final rule, we have applied the Statewide rural wage index value as a floor in cases where an urban area's wage index value is reduced below the Statewide rural wage index value as a result of reclassifications from that area. In addition, we are assigning the Statewide rural wage index values to the MSAs which lost all their hospitals through reclassification for purposes of paying any hospitals newly classified to those MSAs. We note that our change of interpretation has no significance with respect to prior hospital reclassifications since until Federal fiscal year 1992, only rural hospitals were reclassified (under section 1886(d)(8)(B) of the Act).

However, we do not agree with commenters that section 1886(d)(8)(C)(iii) of the Act can be interpreted to apply to hospitals in urban areas whose wage index values are already below the Statewide rural wage index prior to the reclassification of other hospitals from those areas. The language of section 1886(d)(8)(C)(iii) of the Act specifically precludes the reclassification of hospitals under sections 1886(d)(8)(B) and 1886(d)(10) of the Act from resulting in "the reduction of a county's wage index to a level below the wage index for rural areas in the State in which the county is located." The statute establishes a floor that applies when a hospital's wage index value falls below the Statewide rural wage index as result of hospital reclassifications. Thus, when the wage index value for an urban area was already below the rural wage index value prior to the hospital reclassifications, this provision would not apply.

*Comment:* Several commenters recommended that we reevaluate labor market area definitions in light of the significant number of reclassifications that have been approved. One commenter specifically requested that the District of Columbia's hospitals be treated as a separate labor market area rather than as part of the Washington, DC-MD-VA MSA.

*Response:* Any method of geographic classification will fail to be satisfactory to all hospitals. In the past, we have analyzed different labor market configurations and have been unable to identify an alternative labor market

definition that would result in a considerably more accurate system. We are continuing our analysis with respect to appropriate labor market area definitions. We understand that ProPAC is planning further research and analysis in this area, and we will be working with them to evaluate alternative methods for defining labor market areas. As we have not proposed changes to the labor market area definitions in this document, we will respond directly to the commenter representing the District of Columbia hospitals.

*Comment:* Two commenters pointed out that wage survey corrections released in a June 28, 1991 HCFA memorandum were not reflected in the June 3, 1991 proposed rule.

*Response:* The wage survey corrections reflected in the HCFA memorandum dated June 28, 1991, represent midyear corrections applicable to the FY 1992 wage index values. As such, these midyear wage index changes do not reflect the data corrections in the national average hourly wage. When we make midyear corrections to the wage index value for a specific area, we do not reflect the change in the national average, but only apply the change to the affected area. The correction is not incorporated into the national average until the beginning of the next fiscal year. The reason that the wage index values published in the proposed rule for these areas are somewhat lower than the wage index values listed in the correction memorandum is that the wage index published in the proposed rule incorporated those corrections both in the average hourly wage for the affected areas and the national average hourly wage. As a result of making these and a number of other corrections to the wage data in the proposed rule, the national average went up, thereby slightly decreasing the wage index value for all areas. Additional corrections incorporated into the wage index in this final rule have resulted in a further reduction in wage index values for areas whose average hourly wages remain unchanged.

#### *D. Occupational Mix Adjustment*

In its March 1, 1991 report, ProPAC recommended that the Secretary collect hospital wage data by occupation and evaluate the effect of adjusting the HCFA wage index for occupational mix (Recommendation 4). The HCFA wage index reflects variations in the cost of labor; that is, it accounts for variations in the mix of occupations as well as the price of labor. ProPAC believes that the wage index should account for only variations in price, which are beyond

the hospital's control and are not otherwise accounted for by other adjustments in the prospective payment system.

Last year, ProPAC studied the effect of adjusting the wage index for occupational mix and found that a wage index adjusted for occupational mix would redistribute funds from urban to rural hospitals. Within urban areas, the occupational mix adjustment would redistribute funds from large to small hospitals. Within rural areas, the occupational mix adjustment would increase the wage index values of all bed size groups. Section 4002(d) of Public Law 101-508 required that ProPAC examine available data to analyze the impact of variation in occupational mix on the computation of the wage data and include in its March 1, 1991 report recommendations regarding the desirability and feasibility of modifying the wage index for occupational mix. To fulfill this requirement, ProPAC studied 1988 California wage and hour data and concluded, as in the earlier study, that the occupational mix adjustment would increase the wage index values in rural areas and decrease the values in large urban areas. Although ProPAC did not formally measure the burden of hospital reporting, it concluded that the California experience indicated the cost would not be prohibitive.

In June 3, 1991 proposed rule (56 FR 25192), we explained why we did not act on ProPAC's recommendation that we collect the recommended occupational mix data and adopt an occupational mix adjustment in the wage index. In this regard, we have an ongoing research project with the Center for Health Economics Research to evaluate several topics related to the wage index, including the change in wages across areas in the 1982, 1984, and 1988 HCFA wage surveys, occupational mix, and alternative labor market areas.

*Comment:* ProPAC continues to support the development of an occupational mix adjustment to the hospital wage index. The Commission believes that our argument in the proposed rule that the data collection burdens would be large is incorrect, and cites the relative ease of occupational mix data collection in California as evidence. It further states that differences in skill mix are already accounted for in the other prospective payment system payment adjustments. In addition, ProPAC believes that the current wage index does not measure the cost of labor, but rather average labor expenditures per hour. Several other commenters oppose the collection



of occupational mix data at this time, citing the prohibitive costs of such data collection. The majority of these commenters expressed an additional concern about the redistribution of payments that would occur if an occupational mix adjustment were to be implemented, especially in conjunction with the elimination of separate standardized amounts for rural and other urban hospitals.

**Response:** We continue to believe that collection of occupational mix data would be premature. Contrary to the ProPAC's statement that the reporting burden would not be substantial, the California Association of Hospitals and Health Systems stated, in their comment on the same issue, that while the reporting burden is no longer extreme after 15 years of data collection, it is important to note that the system was very costly to implement, and the data were difficult to collect in the first years of the reporting system. In addition, our experience with the Medicare National Uniform Reporting Demonstration Project has reinforced our belief that occupational mix data collection would be costly and difficult.

As we stated in the September 4, 1990 final rule (55 FR 38037), the standardization process used to recalibrate the DRG relative weights is intended to remove the effects of area wage differences from the case mix measure, including the effects of occupational mix. Moreover, we are puzzled by ProPAC's belief that there is a distinction to be made between the cost of labor and average labor expenditures per hour. We continue to believe that the appropriate measure of the wage index is variation in the cost of labor, and that any occupational mix adjustment to the wage index must be examined in the context of other possible adjustments to labor market areas, and in the context of other changes to the prospective payment system, including, as stated by most of the commenters, the elimination of separate standardized amounts for hospitals located in rural and other urban areas.

#### V. Other Decisions and Changes to the Regulations

##### A. Add-On Payment for Blood Clotting Factor (§ 412.2)

Section 1886(a)(4) of the Act provides that prospective payment hospitals receive an additional payment for the costs of administering blood clotting factor to hemophiliacs who are hospital inpatients. This add-on payment is effective for blood clotting factor

furnished on or after June 19, 1990 and before December 19, 1991.

In the April 20, 1990 final rule with comment period (55 FR 15158), we established an add-on price for clotting factor based on the latest (1990) price listing available from the Drug Topics Red Book, the publication of pharmaceutical average wholesale prices. Due to high variation in the costs of the different types of blood clotting factor, we set three separate add-on amounts, one for each of the three basic types of clotting factor. Also, we discounted the average wholesale prices by 15 percent before calculating the median price.

The prices we established for FY 1991 for the three types of blood clotting factors are as follows:

	Per unit
Factor VIII .....	\$.64
Factor IX .....	.26
Other Hemophilia blood clotting factor .....	1.00

In the September 4, 1990 final rule, we stated that we were aware that changes in the clotting factor market might require re-evaluation of the add-on payment amount as part of our FY 1992 changes to the prospective payment system. In the June 3, 1991 proposed rule, based upon that re-evaluation, we proposed updated prices per unit of factor as follows:

	Per unit
Factor VIII .....	\$.72
Factor IX .....	.26
Other Hemophilia blood clotting factor .....	1.11

We proposed that these prices would be used to pay for blood clotting factor for discharges occurring on or after October 1, 1991 and before December 19, 1991, at which time the authority for a separate payment for blood clotting factor expires.

We also proposed to include a new blood clotting factor used in the treatment of hemophilia inpatients that was recently approved by the Food and Drug Administration in the "Other" category both for purposes of calculating the average payment for that class and for purposes of payment for the product. This product differs from other Factor IX products both in cost and efficacy. Because this new product does not contain the same proportion of thrombogenic agents, the risk of thrombosis to the patient is significantly reduced. Extensive research and resources were invested to produce this

safer product. Consequently, the price established in the Drug Topics Red Book more closely resembles that of those products we have classified as "Other." If this new factor were to be included in the factor IX category, the resulting average would inflate the payment to other factor IX products and would so lower the payment for the new product that the incentive to use it would be diminished.

We received two comments concerning payment for blood clotting factor.

**Comment:** One commenter was concerned about the expiration of the statutory authority for the hemophilia blood clotting factor add-on. Specifically, the commenter wanted to know how payment would be made for these patients after December 19, 1991.

**Response:** Section 6011(d) of Pub. L. 101-239, which amended section 1886(a)(4) of the Act to include a separate add-on payment for blood clotting factor provided to Medicare hospital inpatients with hemophilia, is effective for discharges occurring from June 19, 1990 through December 19, 1991. Unless Congress enacts additional legislation to continue the pass-through payment for the blood clotting factor administered to Medicare hemophilia inpatients, our statutory authority to make this payment will end December 19, 1991. After that date, we will discontinue the add-on and resume paying for these cases with only the usual DRG-based payment per case that is used for all other cases.

**Comment:** Another commenter disapproved the use of a 15 percent discount on the average wholesale price for each of the three blood clotting factor categories. This commenter believes that the discount is inappropriate for blood clotting factor because the small number of patients with hemophilia and the even smaller number who require the clotting factor is insufficient to motivate pharmaceutical companies to offer hospitals either volume or incentive discounts.

**Response:** As we stated in the proposed rule (56 FR 25193), we established the payment amounts for the three types of blood clotting factor by calculating the median price for each factor using the average wholesale price for the various products as set forth in the most recent Drug Topics Red Book. However, before calculating the median, we discounted the prices by 15 percent, based on the results of a review conducted by the Department's Office of the Inspector General ("Use of Average Wholesale Prices in Reimbursing Pharmacies Participating in Medicaid

and Medicare Prescription Drug Program;" Report No. A-06-89-00037, October 3, 1989).

In response to a similar comment, we noted in the September 4, 1990 final rule (55 FR 36002) that although the volume of hemophilia inpatients is not as large as that of a number of other hospital inpatient conditions requiring drugs, treatment of hemophilia inpatients with blood clotting factor is concentrated in a few hemophilia treatment centers. We continue to believe that the intent of Congress in including this pass-through payment in the Act was to protect from heavy losses those hospitals that treat a large volume of hemophilia inpatients and, thus, purchase substantial amounts of blood clotting factor. In response to this comment, we again contacted experts in the field to ensure that clotting factor is available to hospitals at or below the price we have set. These experts assure us that our established add-on, even with a 15 percent discount, is both adequate and equitable.

*B. Retroactive Adjustments for Provisionally Excluded Rehabilitation Hospitals and Units (§§ 412.23, 412.30, and 412.130)*

Since October 1, 1983, our regulations have allowed new rehabilitation hospitals and units to be excluded from the prospective payment system, and existing excluded rehabilitation units to be expanded by the addition of new beds, without requiring proof that the new facilities actually treated an inpatient population meeting the requirements of § 412.23(b)(2) (the "75 percent" rule). A new rehabilitation hospital or unit can be excluded, or an existing unit can add new beds, if the new or added facilities are otherwise qualified for exclusion and the hospital submits a written certification that it intends to use the facilities to treat an inpatient population that meets the 75 percent rule. The provisions allowing this are located at § 412.23(b)(8) (for new hospitals) and § 412.30 (for addition of new units and expansion of existing units).

We recognize that there may be cases in which a hospital or unit does not actually perform in accordance with its projections and, therefore, is not able to show actual compliance with the 75 percent rule in the first 12-month cost reporting period for which it is excluded from the prospective payment system. Such a facility would not be able to qualify for exclusion from the prospective payment system as a rehabilitation hospital or unit in its next cost reporting period. However, because our current regulations do not allow us to make any retroactive changes in the

status of a hospital or unit, the operator of the facility is able to benefit financially from the first year of exclusion even though the hospital or unit failed to meet the 75 percent rule. Although this policy is consistent with the prospective nature of the hospital payment system, we are concerned that it might have the unintended effect of rewarding poor planning and might, in fact, encourage operators of marginally qualified facilities to request exclusion and attempt to meet the 75 percent rule, since they are assured of at least 1 year of exclusion.

To remedy this situation, we proposed that hospitals or units that have been excluded based on certifications of compliance with the 75 percent rule would be allowed to retain payments made to them on the basis of the exclusion only if they actually meet the 75 percent rule in the first year for which they are excluded. As proposed, if a hospital or unit does not actually meet the 75 percent rule in its first year of exclusion, we would determine the amount of actual payment under the exclusion, compute what we would have paid for the facility's services to Medicare patients under the prospective payment system, and recover any difference in accordance with the rules on the recoupment of overpayments. (We would also, of course, make additional payment to the hospital in the event that the payment amount computed under the prospective payment system is greater.)

We proposed to revise both §§ 412.23 and 412.30 and add in a new § 412.130 to implement the changes concerning rehabilitation hospitals and units.

*Comment:* We received two comments concerning the retroactive adjustment for provisionally excluded rehabilitation facilities. One commenter was concerned about the administrative burden associated with making a retroactive change in the methodology under which a facility is paid. However, another commenter agreed with HCFA that a retroactive change is appropriate if a provisionally excluded facility does not, in fact, meet the criteria.

*Response:* We recognize the difficulties associated with a retroactive payment methodology change; however, we do not believe that the administrative burden warrants the hospital receiving a benefit to which it is not entitled. Moreover, other difficulties are created for both the hospital and HCFA when an excluded hospital is subsequently determined not to have met the criteria for exclusion in whole or in part. One problem is that the base period costs in these situations may not

be representative of the costs required to furnish services in compliance with the exclusion criteria, since fewer than 75 percent of the hospital's patients meet the requirements of § 412.23(b)(2). As a result, the target amount may be inadequate when the hospital does meet the qualifying criteria, and administratively burdensome adjustments may be required.

The alternative to retroactive denial would be not to allow a hospital provisional exclusion based on its projection that it would meet the requirements of § 412.23(b)(2). However, this would penalize those hospitals that do meet the criteria from the outset. We believe that retroactive denial of excluded status is a reasonable solution that will pay hospitals under the appropriate payment methodology and at the same time will not allow hospitals that do not meet the criteria to receive a benefit to which they are not entitled.

In § 412.130(a)(3), we have corrected a technical error in the June 3, 1991 proposed rule. As proposed, that section referred to an inpatient population that did not meet the requirements of § 412.30(b)(2). The correct reference, which is set forth in this final rule, is to § 412.23(b)(2). We have also made clarifying changes in § 412.30(b) to emphasize that the payment adjustment will be for the difference between payments actually made on a cost basis and what would have been payable under the prospective payment system for the same period.

*C. Outlier Payments (§ 412.84)*

On February 28, 1991, we published a proposed rule to establish a prospective payment system for inpatient hospital capital-related costs (56 FR 8476). In that document, we proposed modifying our outlier policy in order to take into account capital costs for unusually long length of stay or high-cost cases (56 FR 8486). As discussed in that proposed rule, we believe that it is appropriate to establish a unified outlier payment methodology for operating and capital costs. Thus, in the June 3, 1991 proposed rule on the prospective payment system for operating costs, we proposed to establish a single set of thresholds that would be used to identify outlier cases for both operating and capital payments. In the capital proposed rule, we stated that the percentage reduction for outliers in the capital standard payment rate would be the same as the aggregate percentage reduction in the operating standardized amounts. We proposed to accomplish this by setting a single outlier pool target of 5.1 percent and reducing the urban standardized

amount, the rural standardized amount, and the capital payment rate by a factor that recognizes actual outlier payments to each group. We proposed only one offset to the capital payment rate, rather than separate urban and rural offsets, because the capital standard payment rate does not vary based on urban or rural location.

In the February 28, 1991 capital prospective payment system proposed rule, we proposed that capital-related payment for day outliers be determined based on the same provisions now in effect for operating-related costs. That is, the prospective portion of the capital payment rate for a DRG would be adjusted by the geometric mean length of stay for that DRG in order to determine a per diem capital-related outlier payment. Payment for cost outliers would be determined based on a single threshold that incorporates both capital-related costs and operating-related costs and the same marginal cost factor. We believe that it would be inappropriate to make cost outlier payments for high capital cost cases or high operating cost cases in which total capital-related and operating-related costs are below the cost threshold.

We proposed to set the outlier thresholds and the standardized amount reduction factors based on the assumption that capital payments are made on 100 percent of the Federal payment rate, instead of payment under the special transition period provisions.

However, actual payments would be made only for the portion of capital payments that are based on the Federal rate. Thus, outlier payments would not be made on the hospital-specific portion of the payment to hospitals under the fully prospective methodology. Similarly, for hospitals paid under the hold-harmless methodology, outlier payments would be made only on the payment for new capital that is based on the Federal rate. This method of estimating outlier payments is similar to the method used when the prospective payment system first was introduced for operating costs (see the January 4, 1984 final rule (49 FR 261)). Under that method, the outlier pool was set at a certain percentage level of Federal payments, but actual outlier payments were less than that percentage of total operating payments to hospitals because of the transition from hospital-specific to Federal rates. In addition, since it is not possible to determine at this point what proportion of capital payments to hospitals will be paid on the Federal rate (this depends on FY 1992 capital costs, in part), we cannot reliably set the outlier thresholds in any other manner. A detailed example of the combined outlier payment determination methodology was set forth in the February 28, 1991 capital proposed rule (56 FR 8497).

In the June 3, 1991 proposed rule on the prospective payment system, we proposed to set the FY 1992 day outlier

threshold at the geometric mean length of stay for each DRG plus the lesser of 32 days or 3 standard deviations and the cost outlier threshold at the greater of 2.0 times the prospective payment rate for the DRG or \$43,000. Based on the more recent data, in this final rule, we are establishing the FY 1992 day outlier threshold at the geometric mean length of stay for each DRG plus the lesser of 32 days or 3.0 standard deviations, and the cost outlier threshold at the greater of 2.0 times the prospective payment rate for the DRG or \$44,000.

The FY 1992 outlier thresholds will essentially maintain the current outlier payment split with 40.1 percent of cases being paid using the cost outlier methodology and 59.9 percent using the day outlier methodology. Cases that meet the day outlier threshold but that are paid using the cost outlier methodology, because it yields the higher payment, constitute 13.8 percent of all cases. Our simulation of FY 1992 outlier payments based on FY 1990 MEDPAR data indicates that the percentage of outlier cases that qualify as day outliers is about 73.7 percent. The cases qualifying as day outliers are expected to receive 80.5 percent of outlier payments in FY 1992. An estimated 26.3 percent of outlier cases would be cost-only outlier cases, which are expected to receive about 19.6 percent of outlier payments. The following table illustrates this finding in greater detail:

Type of outlier	Percentage of outlier cases	Percentage of operating outlier payments	Percentage of capital outlier payments	Percentage of total outlier payments
Meets day threshold only.....	49.7	23.4	26.8	23.7
Meets day and cost thresholds, paid using day methodology.....	10.3	22.5	25.6	22.7
Meets day and cost thresholds, paid using cost methodology.....	13.8	34.5	29.4	34.1
Subtotal—All cases meeting day threshold.....	73.8	80.4	81.8	80.5
Meets cost threshold only.....	26.3	19.6	18.2	19.6
Total <sup>1</sup> .....	100.0	100.0	100.0	100.0

<sup>1</sup> Individual columns may not add to 100.0 due to rounding.

In the proposed rule, we stated that when we modeled the combined outlier payments, we found that using a common set of thresholds would result in a lower percentage of outlier payments for capital-related costs than for operating costs. We estimated the proposed thresholds result in outlier payments equal to 5.1 percent of operating DRG payments and 4.5 percent of capital payments based on the Federal rate. The capital payment outlier percentage is only slightly below the operating percentage for the final outlier thresholds. Based on these final thresholds, we estimate that outlier

payments will equal 5.1 percent of operating DRG payments and 5.0 percent of capital payments based on the Federal rate.

The outlier adjustment factors that will be applied to the standardized amounts and the capital Federal rate for FY 1992 are as follows:

Urban standardized amount	Rural standardized amount	Capital Federal rate
.944047	.979202	.949722

Table 8a in section IV of the addendum to this final rule contains the updated Statewide average operating cost-to-charge ratios for urban hospitals and for rural hospitals to be used in calculating cost outlier payments for those hospitals for which the intermediary is unable to compute a reasonable hospital-specific cost-to-charge ratio. Effective October 1, 1991, these Statewide average ratios replace the ratios published in the September 4, 1990 final rule (55 FR 36162). Table 8b contains comparable Statewide average capital cost-to-charge ratios. These average ratios are used to calculate cost

outlier payments for those hospitals for which the intermediary computes operating cost-to-charge ratios lower than 0.332 or greater than 1.252 and capital cost-to-charge ratios lower than 0.016 or greater than 0.252. This range represents 3 standard deviations (plus or minus) from the mean of the log distribution of cost-to-charge ratios for all hospitals. The cost-to-charge ratios in tables 8a and 8b will be applied to all hospital-specific cost-to-charge ratios based on cost report settlements occurring during FY 1992.

The final rule to establish a capital prospective payment system effective with cost reporting periods beginning on or after October 1, 1991 is published elsewhere in this issue of the *Federal Register*. The following is an example of how additional payment to a hospital paid using the fully prospective payment methodology under the capital prospective payment system will be determined for an outlier case in FY 1992.

**Example:** Hospital A is a 150 bed hospital located in the San Francisco, California MSA, which is a large urban area. Hospital A has a ratio of interns and residents to beds of 0.1; a ratio of interns and residents to days of 0.12; and a disproportionate patient percentage of 30.2 percent. Mr. Jones is admitted to Hospital A on October 1, 1991 and is discharged on November 30, 1991. The billed charges for Mr. Jones' stay are \$150,000. Mr. Jones is classified in DRG 286. Because Mr. Jones' 61-day stay exceeds the 41-day length of stay outlier threshold for DRG 286, Hospital A is eligible for payment for 20 outlier days in addition to the otherwise applicable prospective payment. The amount of Hospital A's outlier payment (excluding the usual Federal payments for operating and capital costs that apply for both outlier and nonoutlier cases, and the hospital-specific portion of the capital payment) is calculated as follows:

#### Day Outlier

**Step 1: Computation of the Payment Rate for Operating Costs** (excludes capital, indirect medical education (IME) and disproportionate share hospital (DSH) payments)

National Large Urban Standardized Amounts:

Labor-Related.....	\$2,526.80
Nonlabor-Related.....	\$1,041.01
San Francisco MSA Wage Index.....	1.4517
DRG 286 Relative Weight.....	2.4320
DRG Relative Weight $\times$ [(Labor-Related National Large Urban Standardized Amount $\times$ San Francisco MSA Wage Index) + Nonlabor-Related National Large Urban Standardized Amount] = Federal Rate for Operating Costs	
$2.4320 \times [(\$2,526.80 \times 1.4517) + \$1,041.01] =$	
\$11,452.69	

#### Step 2: Computation of Federal Rate for Capital-Related Payments

Capital Federal Rate.....	\$415.59
DRG 286 Relative Weight.....	2.4320
Federal Portion of Capital Rate.....	10% *
Geographic Adjustment Factor.....	1.2908
Large Urban Add-on.....	1.03

\* If Hospital A is paid a hold harmless payment for old capital costs, the Federal portion (for new capital costs) will be the hospital-specific ratio of new to total capital costs.

DRG Relative Weight  $\times$  Capital Federal Rate  $\times$  Federal Rate Portion of Capital Payment  $\times$  Geographic Adjustment Factor  $\times$  Large Urban Add-on = Federal Rate for Capital Costs

$2.4320 \times \$415.59 \times 0.10 \times 1.2908 \times 1.03 =$   
\$134.38

#### Step 3: Computation of Day Outlier Payments

Geometric Mean Length of Stay for DRG 286.....	9.5 days
Outlier Days (61 - 41).....	20
Marginal Cost Factor.....	60%

A. Operating Outlier Payment (excludes IME and DSH) =

Number of Outlier Days  $\times$  (Operating Federal Payment/Geometric Mean Length of Stay for DRG 286)  $\times$  Marginal Cost Factor

$20 \times (\$11,452.69 \div 9.5) \times 0.60 = \$14,466.56$

B. Capital Outlier Payment (excludes IME and DSH) =

Number of Outlier Days  $\times$  (Capital Federal Payment/Geometric Mean Length of Stay for DRG 286)  $\times$  Marginal Cost Factor

$20 \times (\$134.38 \div 9.5) \times 0.60 = \$169.74$

#### Step 4: Computation of Operating IME and DSH Adjustment For Day Outliers:

IME Adjustment Factor.....	0.0744
Operating DSH Adjustment Factor.....	0.1262

Operating Outlier Payment  $\times$  (IME Adjustment Factor + DSH Adjustment Factor) = Operating Outlier Adjustment for IME and DSH

$\$14,466.56 \times (0.0744 + 0.1262) = \$2,901.99$

#### Step 5: Computation of Capital DSH and IME Adjustments for Day Outliers

Capital DSH Adjustment Factor.....	0.0631
Capital IME Adjustment Factor.....	0.0344
Capital Outlier Payment.....	\$169.74

Capital Outlier Payment  $\times$  (Capital IME Adjustment Factor + Capital DSH Adjustment Factor) = DSH Outlier Adjustment

$\$169.74 \times (0.0344 + 0.0631) = \$16.55$

#### Step 6: Total Day Outlier Payments

Regular Operating Outlier Payment	\$14,466.56
Regular Capital Outlier Payment.....	\$169.74
IME and DSH for Operating.....	\$2,901.99

IME and DSH for Capital.....	\$16.55
Total.....	\$17,554.84

#### Cost Outlier

##### Step 1: Computation of Hospital A's Standardized Costs

Billed Charges.....	\$150,000
Hospital A's Operating Cost-To-Charge Ratio.....	0.72 *
Hospital A's Capital Cost-To-Charge Ratio.....	0.06
IME Operating Adjustment Factor.....	0.0744
DSH Operating Adjustment Factor.....	0.1262
IME Capital Adjustment Factor.....	0.0344
DSH Capital Adjustment Factor.....	0.0631

\* This is the same cost-to-charge ratio currently used to determine outlier payments using operating costs only. The capital cost-to-charge ratio, when added to the operating cost-to-charge ratio, will yield a total cost-to-charge ratio. (This occurs because the denominator in both cases is total charges. The charges are not divided into operating and capital charges.)

(Billed Charges  $\times$  Operating Cost-to-Charge Ratio) / (1 + IME Adjustment Factor + Operating DSH Adjustment Factor) = Standardized Operating Costs  
 $(\$150,000 \times 0.72) / (1 + 0.0744 + 0.1262) =$   
 \$89,955.02

(Billed Charges  $\times$  Capital Cost-to-Charge Ratio) / (1 + Capital IME Factor + Capital DSH Factor) = Standardized Capital Costs  
 $(\$150,000 \times 0.06) / (1 + 0.0344 + 0.0631) =$   
 \$8,200.46

##### Step 2: Determination of Capital Cost Thresholds

###### Computation 1: Based on Federal Rate

A. Operating Federal Rate for DRG 286 = \$11,452.69  
 $2 \times \text{Federal Rate} = \$22,905.38$

###### B. Capital Federal Rate for DRG 286

Federal Rate  $\times$  DRG 286 Relative Weight  $\times$  San Francisco MSA Geographic Adjustment Factor  $\times$  Large Urban Add-on = Capital Federal Rate  
 $\$415.59 \times 2.4320 \times 1.2908 \times 1.03 = \$1,343.77$   
 $2 \times \text{Federal Rate} = \$2,687.54$

###### Computation 2: Based on Adjusted Standard Cost Outlier Thresholds

Standard Cost Outlier Threshold.....	\$44,000
Labor-Related Share, Operating.....	0.7140
Nonlabor Share, Operating.....	0.2860

###### Operating Portion of Cost Threshold

Operating Cost-to-Charge Ratio / (Operating Cost-to-Charge Ratio + Capital Cost to Charge Ratio) = Operating Cost Portion  
 $0.72 / (0.72 + 0.06) = 0.9231$

**Capital Portion of Cost Threshold**

Capital Cost-to-Charge Ratio/(Operating Cost-to-Charge Ratio+Capital Cost-to-Charge Ratio)=Capital Cost Portion  
 $0.06/(0.72+0.06)=0.0769$

A. Wage Index Adjusted Operating Cost Outlier Threshold=Operating cost portion as a share of total costs×[(Standard Cost Outlier Threshold×Labor-Related Share×San Francisco MSA Wage Index)+(Standard Cost Outlier Threshold×Nonlabor-Related Share)]  
 $0.9231×[(\$44,000×.7140×1.4517)+(\$44,000×0.2860)]=\$53,715.75$

B. Capital Cost Outlier Threshold Adjusted by Geographic Adjustment Factor=Capital Standard Cost as a Share of Total Costs×Standard Cost Outlier Threshold×San Francisco MSA Geographic Adjustment Factor×Large Urban Add-on  
 $0.0769×\$44,000×1.2908×1.03=\$4,498.58$   
 Computation 1 Result, Operating.....\$22,905.38  
 Computation 1 Result, Capital.....\$2,687.54  
 Threshold Using Computation 1=\$25,592.92  
 Computation 2 Result, Operating.....\$53,715.75  
 Computation 2 Result, Capital.....\$4,498.58  
 Threshold Using Computation 2=\$58,214.33

The applicable cost outlier threshold equals the results of Computation 2.

**Step 3: Determination of Cost Outlier Payment**

Marginal Cost Factor.....0.75

**A. Operating Outlier Payment**

Operating Outlier Cost=Standard Operating Costs—Operating Threshold  
 $\$89,955.02-\$53,715.75=\$36,239.27$   
 Operating Outlier Payment=Operating Outlier Cost×Marginal Cost Factor  
 $\$36,239.27×0.75=\$27,179.45$

**B. Federal Portion of Capital Outlier Payment**

Capital Outlier Cost=Standard Capital Costs—Capital Threshold  
 $\$8,200.46-\$4,498.58=\$3,701.88$   
 Capital Outlier Payment=Capital Outlier Cost×Marginal Cost Factor  
 $\$3,701.88×0.75=\$2,776.41$   
 Federal Portion of Capital Outlier Payment=Federal Portion of Capital Rate×Capital Outlier Payment  
 $\$2,776.41×0.10=\$277.64$

**Step 4: Computation of Operating IME and DSH Adjustment for Cost Outliers**

Operating Outlier Payment×(IME Adjustment Factor+Operating DSH Adjustment Factor)=Operating Cost Outlier Payment for IME and DSH  
 $\$27,179.45×(0.0744+0.1262)=\$5,452.20$

**Step 5: Computation of Capital IME and DSH Adjustments for Cost Outliers**

Capital Outlier Payment×(Capital IME Adjustment Factor+Capital DSH Adjustment Factor)=Cost Outlier Payment for DSH  
 $\$277.64×(0.0344+0.0631)=\$27.07$

**Step 6: Total Cost Outlier Payments**

Operating.....\$27,179.45  
 Federal Portion of Capital.....\$277.64  
 IME and DSH for Operating.....\$5,452.20  
 IME and DSH for Capital.....\$27.07  
 Total.....\$32,936.36

**Determination of Outlier Payment**

Total Day Outlier Payment.....\$17,554.84  
 Total Cost Outlier Payment.....\$32,936.36

Hospital A receives the greater of the two payments, which is \$32,936.36, the cost outlier payment.

We received several comments on the proposed outlier policy, as follows.

*Comment:* Several commenters requested clarification regarding outlier payments for discharges that occur after October 1, 1991 but before a hospital starts receiving prospective payments for capital. Some of the commenters suggested that these cases be paid using the threshold developed for operating costs only because they assert that use of the combined threshold will result in underpayment of these outlier cases.

*Response:* These cases will receive only the operating portion of the outlier payment. In addition, the determination of the appropriate cost outlier threshold will be made based on the operating portion of the threshold only. We calculated the threshold by multiplying the fixed threshold for combined operating costs and capital costs by a reduction factor using the national operating cost-to-charge ratio, divided by the sum of the national operating cost-to-charge ratio and the national capital cost-to-charge ratio. In other words, the operating share will be determined in a manner similar to that used once a hospital starts receiving prospective payments for capital, but using the national average cost-to-charge ratios in order to maintain a common operating cost threshold across hospitals.

It is necessary to calculate the operating share of the standard cost threshold for these cases because, as the commenters noted, the unadjusted standard cost threshold reflects capital costs as well. If we did not use the apportionment methodology for these cases, the standard cost threshold would be inappropriately high. Given the combined cost threshold of \$44,000, and national cost-to-charge ratios of 0.6448 for operating costs and 0.0628 for

capital costs, the standard fixed operating cost threshold for outlier cases discharged on or after October 1, 1991 and before capital prospective payments begin will be \$40,100.

Since the day outlier threshold methodology is set by DRG (that is, whether the threshold is 3 standard deviations above the geometric mean length of stay for the DRG or the fixed number of days), and not by examining the particular experience of a given case, the threshold for cases not receiving capital prospective payments will be the same as for cases paid under the prospective payment system for capital. Therefore, there is no need to make any adjustment to day outlier payments other than setting the capital payments to 0.0 until the hospital is paid under the capital prospective payment system. The comparison of day outlier payment and cost outlier payment, necessary to determine which payment is applicable to the case, will be made based on actual payments, so that a hospital that will be paid the operating portion of the outlier payment only will receive for the case the higher of the day operating outlier payment or the cost operating outlier payment.

*Comment:* Some commenters urged that any funds set aside for outlier payments but not paid out be added to the Federal rate for the next fiscal year. Other commenters requested that we clarify what will happen if actual outlier payments differ from estimated outlier payments.

*Response:* We have responded to similar comments in the September 3, 1986 final rule (52 FR 31525), the September 1, 1987 final rule (52 FR 33048), the September 30, 1988 final rule (53 FR 38508), the September 1, 1989 final rule (54 FR 36500) and the September 4, 1990 final rule (55 FR 36077). The outlier reduction factor reflects our best estimate (using the proposed thresholds and marginal cost factors) of the amount of outlier payments that as a percentage of Federal payments will be made for outlier cases. There is no "outlier pool" in the sense of money dedicated solely for outlier payments that can be "replaced" in the Medicare budget if not fully spent on outlier payments. Similarly, we do not retroactively reduce the standardized amounts if we pay out more in outlier payments than we anticipate.

*Comment:* A commenter questions the method of using the Statewide average capital cost-to-charge ratio if a hospital's ratio is more than 3.0 standard deviations from the mean capital cost-to-charge ratio. The commenter believes

that one-time-only expenses may appropriately place the ratio outside the 3.0 standard deviation band, and that it will be inappropriate to replace these ratios if the hospital can support the capital costs involved.

**Response:** We agree with the commenter. Therefore, under this final rule, if a provider believes that its capital cost-to-charge ratio properly lies outside the three standard deviation band provided for in this final rule, the provider may apply to the fiscal intermediary for use of its cost-to-charge ratio. If the intermediary finds that there is sufficient evidence to support the hospital's cost-to-charge ratio, the intermediary will use the hospital's ratio rather than the Statewide average.

#### D. Rural Referral Centers (§ 412.96)

Under the authority of section 1886(d)(5)(C)(i) of the Act, § 412.96 sets forth the criteria a hospital must meet in order to receive special treatment under the prospective payment system as a rural referral center (that is, payment is based on the other urban payment rate rather than the rural payment rate). One of the criteria under which a rural hospital may qualify as a referral center is to have 275 or more beds available for use. A rural hospital that does not meet the bed size criterion can qualify as a rural referral center if the hospital meets two mandatory criteria (number of discharges and case-mix index) and at least one of three optional criteria (medical staff, source of inpatients, or volume of referrals). With respect to the two mandatory criteria, a hospital is classified as a rural referral center if its—

- Case-mix index is equal to the lower of the median case-mix index for urban hospitals with approved teaching programs, or the median case-mix index for all urban hospitals nationally; and
- Number of discharges is at least 5,000 discharges per year or, if fewer, the median number of discharges for urban hospitals in the census region in which the hospital is located. (We note that the number of discharges criterion for an osteopathic hospital is at least 3,000 discharges per year.)

#### 1. Case-Mix Index

Section 412.96(c)(1) provides that HCFA will establish updated national and regional case-mix index values in each year's annual notice of prospective payment rates for purposes of determining rural referral center status. In determining the proposed national and regional case-mix index values, we followed the same methodology we used in the November 24, 1986 final rule, as set forth in regulations at

§ 412.96(c)(1)(ii). Therefore, the proposed national case-mix index value included all urban hospitals nationwide and the proposed regional values are the median values of urban hospitals within each census region, excluding those with approved teaching programs (that is, those hospitals receiving indirect medical education payments as provided in § 412.118).

The values in the proposed rule were based on discharges occurring during FY 1990 (October 1, 1989 through September 30, 1990) and included bills posted to HCFA's records through December 1990. Therefore, in addition to meeting other criteria, we proposed that to qualify for initial rural referral center status for cost reporting periods beginning on or after October 1, 1991, a hospital's case-mix index value for FY 1990 must be at least—

- 1.2567; or
- Equal to the median case-mix index value for urban hospitals (excluding hospitals with approved teaching programs as identified in § 412.118) calculated by HCFA for the census region in which the hospital is located. (See table set forth in the proposed rule at 56 FR 25196.)

Based on the latest data available (through June 1991), the final national case-mix index value is 1.2584 and the median case-mix values by region are as follows:

Region	Case-mix index value
1. New England (CT, ME, MA, NH, RI, VT)...	1.1740
2. Middle Atlantic (PA, NJ, NY).....	1.1784
3. South Atlantic (DE, DC, FL, GA, MD, NC, SC, VA, WV).....	1.2620
4. East North Central (IL, IN, MI, OH, WI).....	1.1951
5. East South Central (AL, KY, MS, TN).....	1.2073
6. West North Central (IA, KS, MN, MO, NB, ND, SD).....	1.1834
7. West South Central (AR, LA, OK, TX).....	1.2589
8. Mountain (AZ, CO, ID, MT, NV, NM, UT, WY).....	1.2815
9. Pacific (AK, CA, HI, OR, WA).....	1.2798

For the benefit of hospitals seeking to qualify as referral centers or those wishing to know how their case-mix index value compares to the criteria, we are publishing the FY 1990 case-mix index values in table 3c in section IV of the addendum to this final rule. In keeping with our criteria on discharges, these case-mix index values are computed based on all Medicare patient discharges (including transfers) subject to DRG-based payment.

#### 2. Discharges

Section 412.96(c)(2)(i) provides that HCFA will set forth the national and

regional numbers of discharges in each year's annual notice of prospective payment rates for purposes of determining referral center status. As specified in section 1886(d)(5)(C)(ii) of the Act, the national standard is set at 5,000 discharges. However, we proposed to update the regional standards, which are based on discharges for urban hospitals during FY 1989 (that is, October 1, 1988 through September 30, 1989). That is the latest year for which we have complete discharge data available.

Therefore, in addition to meeting other criteria, we proposed that to qualify for initial rural referral center status for cost reporting periods beginning on or after October 1, 1991, a hospital's number of discharges for its cost reporting period that began during FY 1990 would have to be at least—

- 5,000; or
- Equal to the median number of discharges for urban hospitals in the census region in which the hospital is located, (see table set forth in the proposed rule at 56 FR 25196.)

Based on the latest discharge data available, the final median numbers of discharges by census region are as follows:

Region	Number of discharges
1. New England (CT, ME, MA, NH, RI, VT)...	6,991
2. Middle Atlantic (PA, NJ, NY).....	8,250
3. South Atlantic (DE, DC, FL, GA, MD, NC, SC, VA, WV).....	6,690
4. East North Central (IL, IN, MI, OH, WI).....	8,138
5. East South Central (AL, KY, MS, TN).....	6,000
6. West North Central (IA, KS, MN, MO, NB, ND, SD).....	6,029
7. West South Central (AR, LA, OK, TX).....	4,767
8. Mountain (AZ, CO, ID, MT, NV, NM, UT, WY).....	7,414
9. Pacific (AK, CA, HI, OR, WA).....	5,103

We again note that to qualify for rural referral center status for cost reporting periods beginning on or after October 1, 1991, an osteopathic hospital's number of discharges for its cost reporting period that began during FY 1990 must have been at least 3,000.

**Comment:** One commenter suggested that the minimum number of discharges required for rural referral center status be lowered from 5,000 to 4,000 annually. The commenter believes that, with the shift to more outpatient services under the Medicare program, many hospitals cannot continue to meet the requirement for 5,000 discharges annually.

**Response:** Section 9302(d)(1) of Public Law 99-509 amended section 1886(d)(5)(C)(i) of the Act to provide that



the number of discharges criterion is set at 5,000 per year or, if fewer, the median number of discharges for urban hospitals in the region in which the hospital is located. Since the number of discharges criterion is established by statute, we do not have the authority to revise the criterion as the commenter requests.

In addition, we note that the regional standards reflect the actual experience of urban hospitals within the same census region as the hospitals seeking classification as rural referral centers, and a year-to-year comparison shows that over the last several years, these median numbers have actually increased. Only one region's median is currently below the 5,000 national standard. Since the rural referral center criteria at § 412.96(c) are designed to identify those rural hospitals that are comparable to their urban counterparts in terms of case-mix index values and numbers of discharges, we do not believe it would be appropriate to lower the national number of discharges as the commenter suggests.

*E. Indirect Medical Education Costs (§ 412.105, formerly § 412.118)*

Section 1886(d)(5)(B) of the Act provides that prospective payment hospitals that have residents in an approved graduate medical education program receive an additional payment to reflect the higher indirect operating costs associated with graduate medical education. Each hospital's additional indirect medical education (IME) payment is determined by multiplying the hospital's total DRG revenue by the applicable IME adjustment factor. The regulations governing the calculation of this additional payment previously were set forth at § 412.118 but are being redesignated in this final rule as § 412.105. This change places these regulations in Subpart G—Special Treatment of Certain Facilities, which we believe is more appropriate than their former placement in Subpart H—Payments to Hospitals under the Prospective Payment System.

Section 4002(b)(3)(B) of Public Law 101-508 revised section 1886(d)(5)(B)(ii) of the Act to delete the scheduled increase in the IME adjustment factor from approximately 7.7 percent to 8.1 percent for every 10 percent increase in the hospital's resident-to-bed ratio for discharges occurring on or after October 1, 1995. The IME adjustment factor is an approximation because it is applied on a curvilinear or variable basis. That is, each absolute increment in a hospital's resident-to-bed ratio does not result in an equal proportional increase in costs. The deletion of the scheduled increase

in the adjustment factor was made as a conforming amendment to the repeal of the sunset provision for the disproportionate share adjustment. To implement this change, we proposed to delete both § 412.118(c)(2), which specifies a larger IME adjustment factor for discharges occurring on or after October 1, 1995, and § 412.118(d)(2), which sets forth the steps for calculating the IME adjustment factor for discharges occurring on or after October 1, 1995. We also corrected a typographical error in newly redesignated § 412.118(c). That paragraph currently states that the .405 factor applied to determine the amount of each hospital's adjustment is effective with discharges "on or after May 1, 1988"; however, as set forth in section 1886(d)(5)(B)(ii) of the Act, the correct effective date is "on or after May 1, 1986."

We received no comments on this issue and are making the changes as proposed.

*F. Ceiling on Rate of Hospital Cost Increases (§ 413.40)*

Section 101 of the Tax Equity and Fiscal Responsibility Act of 1982 (Pub. L. 97-248) added section 1886 of the Act to establish a ceiling on the allowable rate of increase for hospital inpatient operating costs. This ceiling still applies to hospitals and hospital distinct-parts units excluded from the prospective payment system. Under section 1886(d)(1)(B) of the Act, excluded hospital and hospital units include psychiatric, rehabilitation, cancer, children's, and long-term hospitals, and psychiatric and rehabilitation distinct-part units of acute care hospitals. (Prior to FY 1988, alcohol/drug hospitals and distinct-part units were also excluded from the prospective payment system, but are now paid under the prospective payment system.)

These excluded hospitals and units receive payment for the inpatient hospital services they furnish on the basis of reasonable cost up to a ceiling. Under the rate of increase limits, an annual target amount (stated as inpatient operating cost per discharge) is set for each hospital based on the hospital's own cost experience in its base year. This target amount is applied as a ceiling on the allowable inpatient costs per discharge for the hospital's next cost reporting period.

A hospital that has inpatient operating costs less than its target amount is paid its costs plus the lower of—

- 50 percent of the difference between the inpatient operating cost per discharge and the target amount; or
- 5 percent of the target amount.

For cost reporting periods beginning on or after October 1, 1984 and before October 1, 1991, hospitals that have inpatient operating costs per discharge in excess of their target amount are to be paid no more than the target amount. However, section 4005(a) of Public Law 101-508 amended section 1886(b)(1)(B) of the Act to provide that hospitals with cost reporting periods beginning on or after October 1, 1991 are allowed 50 percent of the costs in excess of the target amount, but this additional payment is not to exceed 10 percent of the target amount (after any exceptions or adjustments are made to the target amount for the cost reporting period). We proposed to revise § 413.40(d)(3) to implement this provision.

Each hospital's target amount is adjusted annually, before the beginning of its cost reporting period, by an applicable target rate percentage for the 12-month period. The limit is based on an assumption that a provider's year-to-year inpatient operating costs should remain comparable to its base year, except for inflation. Section 1886(b)(4)(A) of the Act gives the Secretary the authority to grant an exemption from, or an adjustment or exception to, the target rate-of-increase limit where events beyond the hospital's control or extraordinary circumstances create a distortion in the increase in costs. In addition, section 6015 of Public Law 101-239 amended 1886(b)(4)(A) of the Act to provide that a hospital or excluded unit may be assigned a new base year and added section 1886(b)(4)(B) of the Act, which sets out criteria for consideration in establishing the assignment of a new base period.

To implement section 1886(b)(4)(A) of the Act, regulations at § 413.40 provide that HCFA may adjust a hospital's operating costs considered in establishing costs per case for purposes of determining the target amount, including both the periods subject to the limit and the hospital's base period, as follows:

- Section 413.40(g) provides for an exception to the target amount to take into account unusual costs due to extraordinary circumstances beyond the provider's control or distortions in costs caused by a change in case mix as a result of the addition or discontinuation of services.
- Section 413.40(h) provides for an adjustment to take into account factors such as a change in the inpatient services that a hospital provides that could result in a significant distortion in the operating costs of inpatient hospital services.



• Effective with cost reporting periods beginning on or after April 1, 1990, § 413.40(j) provides that a new base period will be assigned to address substantial and permanent changes in inpatient care services that are so broad in nature that the resulting cost distortion cannot be adequately addressed through the more targeted exceptions and adjustments available under § 413.400 (g) and (h).

The adjustments may be made only if the hospital exceeds its limit for the cost reporting period and only to the extent the hospital's costs are reasonable, attributable to the circumstances specified as creating the cost distortion, and are verified by the intermediary. (In addition to the provisions outlined above that implement section 1886(b)(4)(A) of the Act, § 413.40(i) provides for an adjustment to the target amount authorized by the Medicare Catastrophic Coverage Act of 1988 (Pub. L. 100-360) as amended by the Family Support Act of 1988 (Pub. L. 100-485) and the Medicare Catastrophic Coverage Repeal Act of 1989 (Pub. L. 101-234) to take into account cost distortions due to the temporary elimination of the day limitation on inpatient hospital services under catastrophic coverage.)

#### 1. The Appeals Process (§ 413.40(e))

The general procedures for applying for an exemption or adjustment to the rate-of-increase limit are described in § 413.40(e). Section 413.40(e) requires that the hospital file its request with its fiscal intermediary no later than 180 days from the date on the notice of amount of program reimbursement (NPR) issued by the intermediary. (HCFA considers adjustment requests prior to the release of the NPR to help alleviate the financial strain a hospital might experience if it had to wait for the NPR before pursuing an adjustment.) The intermediary makes a recommendation on the hospital's request to HCFA, which makes the decision. HCFA responds to the request within 180 days from the date HCFA receives the request from the intermediary. The intermediary notifies the hospital of HCFA's decision.

Section 4005(c)(1)(A) of Public Law 101-508 amended section 1816(f) of the Act to require that the performance standards and criteria for fiscal intermediaries include the ability to process a completed application for an adjustment to the target amount not later than 75 days after the application is filed, and, if the application is incomplete, to return it with proper instructions within 60 days. This provision should decrease substantially

the processing time applied by intermediaries before forwarding hospital applications to HCFA.

Section 4005(c)(1)(B) of Public Law 101-508 amended section 1886(b)(4)(A) of the Act by adding a requirement that the Secretary issue a decision on any request for an exemption, exception, or adjustment to the target amount not later than 180 days after receiving a completed application from the intermediary. Further, the provision requires that the Secretary issue a detailed explanation of the grounds on which the request was approved or denied. This statutory provision essentially codifies our current policy for processing rate-of-increase limit appeals. Under our current procedures, until we receive a hospital's completed application and any recommendation from the intermediary, the 180-day period does not begin to run. We do not count within the 180-day limitation the time required to secure the additional information needed to reach a decision on the request. Although there have been some instances in which appeals have not been processed within the 180-day period even though all necessary information has been submitted, most decisions that have taken more than 180 calendar days have involved delays because needed documentation was not included in the original request. Further, in issuing a decision, we provide an explanation of the basis for our decision. Nevertheless, to reflect the statutory requirements, we proposed to revise § 413.40(e) to state explicitly that HCFA's decision will be issued not later than 180 days after receiving a completed application with the intermediary's recommendation and that the decision will contain a detailed explanation of the grounds for the approval or denial.

An adjustment to the target amount is granted only if the hospital's costs are reasonable, the cost increase is attributable to significant changes in the provision of services or the type of patient served, and the effect of those changes on the hospital's costs is separately identified by the hospital and verified by the intermediary.

Some requests for an adjustment to the target amount do not contain sufficient justification and documentation to support a favorable decision. For example, a request for an adjustment may set out the circumstances that caused the cost distortion to occur but fail to quantify the effect of those circumstances on the hospital's costs. In other cases, the increased costs may be appropriately documented but the application does not

link the increases to changes in patient care services. Although we deny the request based on the information in the application, we also indicate a willingness to reconsider our decision if the hospital submits additional information. Since this has been an informal procedure, we have not established a time limit within which the hospital has to submit additional information. In some instances, we have received additional information several years after we issued our initial decision. We do not believe it is appropriate for the appeals process to be prolonged in this manner. Therefore, we proposed to formalize our reconsideration process by providing that HCFA's decision will be considered final unless a hospital submits additional information within 90 days of the date the intermediary notifies the hospital of HCFA's decision.

In processing applications for adjustments, we have identified situations where we do not believe it is necessary for HCFA to review the request. One example is an application for an adjustment to the target amount that is based on circumstances that are similar to those in an earlier cost reporting period for which HCFA has already issued a decision. Another example would involve circumstances for which our adjustment policy is well-established; that is, the type of circumstances that gave rise to the cost increases is generally accepted as a basis for adjustment, the evaluation of whether the circumstances actually occurred is relatively straightforward, and there is an established methodology for determining the amount of the exception. In these situations, we believe that direct review by HCFA of the hospital's request for an adjustment would unnecessarily delay commencement of the appeals process. To streamline the application review process in these situations, we proposed that HCFA may authorize the intermediary to make the final determination on a request for an adjustment under § 413.40(g). This authorization may be for specific hospitals or for specific circumstances. As proposed, the authorization for specific hospitals for subsequent cost reporting periods would be issued at the same time as the decision on the initial adjustment request. The authorization for specific circumstances would be issued through manual instructions and would be applicable only if one of those circumstances were the only basis for an adjustment request. If HCFA authorizes the intermediary to make the final determination, the decision would

be subject to the same rules as a decision issued by HCFA. The intermediary would be required to issue a decision that included a detailed explanation of the grounds for approval or disapproval within 180 days of receiving a completed application from the hospital. We also proposed that the decision would be subject to review under the administrative and judicial review provisions set forth in subpart R of 42 CFR part 405. However, it must be noted that a final NPR for the cost reporting period in question must be issued before a hospital can appeal a final determination of an adjustment request. This is because the amount by which operating costs actually exceed the rate-of-increase ceiling is not known until the final NPR is issued.

*Comment:* A commenter noted that the changes proposed in § 413.40(e) did not specify that the revisions apply to distinct-part units of hospitals that are excluded from the prospective payment systems as well as excluded hospitals. The commenter suggested that HCFA should make it clear that the changes apply to both excluded hospitals and units.

*Response:* We believe that § 413.40(a)(2)(ii) already explicitly identifies the types of providers subject to the ceiling on rate of hospital cost increases and to the provisions of § 413.40. Section 413.40(a)(2)(ii) states, "For cost reporting periods beginning on or after October 1, 1983, this section is applicable to hospitals excluded from the prospective payment system in accordance with § 412.23 of this chapter, subprovider psychiatric and rehabilitation units (distinct parts) excluded from the prospective payment system in accordance with §§ 412.25 through 412.32 of this chapter \* \* \*." Therefore, we believe that the current regulation already makes it clear that the changes we are making in this final rule apply to excluded hospitals and units.

*Comment:* A commenter asserted that the language in proposed § 413.40(e)(2), "... HCFA issues a decision (for an exemption, exception, or adjustment to the target amount) to the intermediary within 180 days from the date it receives the completed application and the intermediary's recommendation" is not in accordance with section 1886(b)(4)(A) of the Act, which requires the Secretary to issue a decision on any request for an exemption, exception, or adjustment to the target amount *not later than* 180 days after receiving a completed application from the intermediary.

*Response:* We do not agree that there is a substantive difference in the language, but we are revising

§ 413.40(e)(2) to reflect the suggested change since it more closely conforms to the statutory language.

*Comment:* One commenter suggested that § 413.40 (e)(2) and (e)(3) explicitly require that the time limits that apply to the initial adjustment request also apply as time limits on the intermediary and HCFA action on reconsideration requests.

*Response:* We did not intend that the time limits in proposed § 413.40 (e)(2) and (e)(3) only apply to the initial adjustment request submitted by the hospital. We are adding a new § 413.40 (e)(6) to clarify that the 180-day limit applies to both an initial adjustment request and a request for reconsideration based on additional information.

*Comment:* Several commenters recommended that, in cases in which the intermediary is authorized to make the determination for a hospital's request for an adjustment, the hospital should be able to elect to treat the intermediary's decision as a final decision and, therefore, be able to appeal it directly to the Provider Reimbursement Review Board (PRRB), or, alternatively, to elect to request a reconsideration of the intermediary's decision from HCFA.

*Response:* Proposed § 413.40(e)(4) specifically stated that adjustment decisions made by the intermediary or HCFA are subject to review under subpart R of part 405, which contains the provisions for provider payment determinations and appeals. We are revising § 413.40(e)(4) to clarify that appeals may be filed only after the intermediary issues a final NPR.

With respect to a hospital's request to HCFA for a reconsideration of an intermediary's decision, we believe that this would defeat the purpose of authorizing the intermediary to make final adjustment determinations. If a hospital does not agree with the intermediary's determination and has additional information that may have a bearing on the decision, the intermediary is in the best position to evaluate that information since it made the initial decision. However, this would not preclude the intermediary from consulting with HCFA with regard to any aspects of the case.

*Comment:* One commenter suggested that proposed § 413.40(e)(4) be changed to require the intermediary to provide the hospital with a copy of HCFA's decision, including a detailed explanation of grounds for the decision in order to meet the requirements of section 1886(b)(4)(A) of the Act.

*Response:* We intend for the intermediary to furnish the hospital with

a complete explanation of HCFA's decision. To avoid any misunderstanding, we are changing § 413.40(e)(4) to clarify this.

*Comment:* Several commenters suggested lengthening the 90-day time period for hospitals to submit additional information to justify an adjustment request because there may be situations in which a hospital is dependent on outside resources (over which they have no control) for data gathering. The commenters want the longer time period to be in the form of either an exception to the 90-day time period or for HCFA to establish a 180-day time period.

*Response:* We recognize there may be unusual circumstances that cause the hospital to have difficulty in obtaining or developing the additional documentation to support a request for an adjustment within 90 days. However, we believe that providing a case-by-case exception to the 90-day limit would create a new administrative burden in deciding whether the delay is warranted. Therefore, we are adopting the suggestion to change the 90-day time period to a 180-day time period. We believe 180 days is more than adequate to obtain any additional documentation that is needed to support or justify an adjustment request. We are revising § 413.40(e)(4) accordingly.

## 2. Exceptions and Adjustments (§§ 413.40(g) and 413.40(h))

We have found that the separate provisions at §§ 413.40(g) and 413.40(h) for adjustments in the hospital's costs per case have resulted in confusion. One source of confusion has been the use of the term "exceptions" under § 413.40(g) and the term "adjustments" under § 413.40(h). There is no substantive difference between the two terms as they are applied under § 413.40 and the terms may be used interchangeably to describe the general procedure for adjusting a hospital's costs for purposes of determining the target amount.

To eliminate confusion on this point, we proposed to combine the provisions of § 413.40(g) and § 413.40(h). As a result of this change, a single provision, that is, § 413.40(g), would be used to describe the basis of adjustments to the target amount authorized under section 1886(b)(4)(A) of the Act that do not involve the assignment of a new base period. The term "exceptions" would no longer be used to describe these adjustments.

A second source of confusion has been the adjustment for change in case mix authorized under § 413.40(g)(3). Originally, § 413.40(g) applied to acute care hospitals that became subject to

the prospective payment system effective with cost reporting periods beginning on or after October 1, 1983, as well as hospitals that are currently excluded from the prospective payment system. Since case mix in acute care hospitals could be readily measured by the DRG classification system and relative weights, there was a straightforward method to document case-mix changes to justify an adjustment in the target amount under § 413.40(g)(3). This provision is generally no longer applicable since there is no good measurement of case mix in excluded hospitals. In fact, a major reason these hospitals are excluded from the prospective payment system is that the existing DRGs do not adequately differentiate among the patients served within each type of excluded hospital. As a result, target amount adjustments for the cost distortions resulting from a change in the type of patient treated have been made under § 413.40(h)(1) instead of § 413.40(g)(3). Also, under our current policy, any situation that would qualify for an adjustment under § 413.40(g)(3) would also qualify for an adjustment under § 413.40(h)(1) since it would involve a cost distortion that would make the cost reporting period subject to the ceiling not comparable with the base period. Therefore, we proposed to eliminate the specific adjustment for case mix described in § 413.40(g)(3). Hospitals would continue to qualify for an adjustment under current § 413.40(h)(1) for cost distortions attributable to a change in the type of patient treated. Since § 413.40(h) does not explicitly identify a change in the type of patient treated as a basis for an exception, we proposed to add this as an example of a situation that would warrant an adjustment.

In the proposed rule, we incorporated the remainder of § 413.40(g) with the contents of § 413.40(h) into a newly redesignated § 413.40(g) with editorial changes to eliminate duplication. (As a consequence, paragraphs (i) and (j) of § 413.40 are redesignated as paragraphs (h) and (i), respectively.)

*Comment:* Several commenters opposed the elimination of the provision formerly in § 413.40(g)(3) that permitted an adjustment due to change in case mix.

*Response:* The provision allowing an adjustment to the target amount for a change in case mix had specific criteria that had to be met. The criteria applied to situations in which a hospital added or discontinued services in a year after its base period and experienced a change in case mix as a result of the

addition or discontinuation of services that created a distortion in the target amount. The hospital had to submit data summarizing the case mix changes and the resulting changes in costs. The measurement of case-mix change was based on changes in the hospital's average DRG weight.

One of the main reasons certain types of hospitals and hospital distinct-part units are exempt from the prospective payment systems is because, in general, the current DRG classification system does not adequately differentiate among the patients these hospitals and units serve. Currently, there is no standard patient classification system that can be used to differentiate patients in excluded hospitals and units according to their resource requirements. Absent a standard measurement for determining case mix in these hospitals, we believe the case-mix change adjustment provision as implemented in § 413.40(g)(3) is not appropriate. We note, however, that providing for adjustments for distortions in the target amount based on changes in the "type of patient served" encompasses situations involving a change in case mix without restricting the measurement of patient resource requirements to a single standard measure (that is, DRG relative weights). Thus, the change in the regulation will not preclude a children's hospital, for example, from using DRG weights to substantiate that there has been a change in type of patients served.

*Comment:* One commenter expressed concern that the phrase "type of patient" in proposed § 413.40(g)(3)(iv), concerning adjustments to take into account increases in service intensity or length of stay attributable to changes in the type of patient served, is too limited to address changes in service intensity or an increase in Medicare's average length of stay. The commenter suggested that the phrase be expanded to "type of patient served and patient services, including changes in diagnostic mix and procedure mix, patient acuity, severity of illness, technology, medical practice, and patient care protocols."

*Response:* We disagree that the phrase "type of patient served" is too limited to address increases in service intensity or length of stay. The various factors identified in the commenter's suggestion relate to either increased service intensity or the type of patient being treated. The conditions under which an adjustment may be granted under § 413.40(g)(3)(iv) is not limited to the factors suggested by the commenter. We believe the phrase "type of patient" is appropriately broad to encompass various changes in service delivery and

is preferable to attempting to develop an inclusive list of factors that could cause distortion in the target amount.

*Comment:* A commenter stated that § 413.40(g) should clearly state that an adjustment for operating costs may be initiated by the intermediary or HCFA without a hospital's request, and that the documentation requirement in proposed § 413.40(g)(1) only applies to requests filed by hospitals.

*Response:* We are revising § 413.40(g)(3) to clarify those circumstances under which HCFA may initiate an adjustment to a hospital's rate-of-increase ceiling without the hospital's request. We are also clarifying § 413.40(g)(1) to reflect that the documentation requirement applies when the hospital requests an adjustment.

### 3. Adjustment for Significant Wage Increases (§ 413.40(g))

Until October 1, 1991, significant increases in wages since the base period were not recognized as a basis for an adjustment in the target amount under § 413.40(h). This is because wage increases were accounted for by the update factor only. One of the assumptions behind the rate-of-increase limit has been that if a hospital needed to increase costs in one area beyond the amount provided by the update factor, cost containment measures would be taken in other areas. However, as discussed below in section IV.F.5 of this preamble, Congress explicitly provided that increases in wages should be taken into consideration in determining whether to assign a new base period. Since wage increases are to be considered in the new base period determination, we proposed to provide a limited adjustment under newly redesignated § 413.40(g) for wage increases significantly in excess of the increase in the national average hourly wage accounted for by the update factor. We also proposed to establish a specific methodology for these adjustments so that the intermediary can make the determination on the adjustment request.

As proposed, to qualify for an adjustment, the excluded hospital or hospital unit must be located in a geographic area that is determined to have an average hourly wage that increased significantly more than the national average hourly wage over the period. We proposed to use the hospital wage index for prospective payment hospitals to determine the rate of increase in the average hourly wage in the labor market area. To be eligible, a given area must have had at least an 8

percent increase between its wage index value based on 1982 wage data and its wage index value based on 1988 wage data. If the hospital's base period begins in FY 1984 or later, the geographic area must have had at least an 8 percent increase between the wage index value based on 1984 data and the wage index value based on 1988 wage data. The latest applicable wage data would be used in all cases for this comparison. Further, we proposed that the comparison would be made without regard to any geographic reclassifications under sections 1886(d)(8) and (10) of the Act.

As proposed, the amount of the adjustment for wage increases would be determined by taking three factors into account between the base period and the period for which an adjustment is requested: the rate of increase in the hospital's average hourly wage; the rate of increase in the average hourly wage in the labor market area; and the rate of increase in the national average hourly wage for hospital workers. The adjustment would be limited to the amount by which the lower of the hospital's or the labor market area's rate of increase in average hourly wages significantly exceeds the national increase (that is, exceeds the national rate of increase by more than 8 percent). For purposes of computing the adjustment, the relative rate of increase in the average hourly wage for the labor market area would be assumed to have been the same over each of the years covered by the wage surveys. In addition, it would also be assumed to be applicable to subsequent years until more recent wage data become available to determine the actual rate of increase relative to the national average in the subsequent years.

To determine the rate of increase in the national hourly wage, we proposed to use the average hourly earnings (AHE) component of the wages and salaries portion of the market basket. This measure would be derived from the 1982-based market basket since the 1987-based market basket uses the employment cost index (ECI) for hospital workers as the price proxy for this component. Unlike the AHE, the ECI for hospital workers can be measured historically only back to 1986. In addition, the ECI does not adjust for skill-mix shifts and, therefore, measures only the change in wage rates per hour.

The average hourly earnings for hospital workers as measured by the market basket show the following increases:

1983=8.4 percent  
1984=5.6 percent

1985=5.4 percent  
1986=4.1 percent  
1987=4.7 percent  
1988=6.5 percent  
1989=6.9 percent  
1990=5.6 percent

We proposed to use the following methodology to determine if an adjustment for significant wage increases is appropriate:

*Step 1:* Compare the hospital's rate of increase in average hourly wages to the rate of increase in the labor market area. The hospital's rate of increase is calculated by dividing its average hourly wage in the year for which the adjustment is requested by its average hourly wage in the base year. The rate of increase in the labor market area is computed by multiplying the cumulative percentage increase in the AHE for hospital workers by the applicable percentage change in the wage index. The lower of the two rates of increase will be used in Step 3.

*Step 2:* Determine the threshold for the adjustment. The threshold is equal to the cumulative percentage increase in the AHE for hospital workers over the period in question multiplied by 1.08.

*Step 3:* Subtract the amount determined in Step 2 from the lower of the two amounts determined in Step 1. This result is the percentage increase that is considered significantly above the increase that is accounted by the update factor.

*Step 4:* Determine the proportion of the hospital's operating costs that is attributable to wages and fringe benefits. Adjust this proportion of the hospital's target amount to account for the wage increase by multiplying it by the percentage increase determined in Step 3. As is the case with other adjustments under proposed § 413.40(g), we proposed that the adjustment would be made only to the extent the hospital's costs are in excess of the target amount.

Since we were providing a specific methodology to be used to make the wage adjustment, we proposed to authorize the intermediary to make the determinations on these requests for an adjustment due to a significant wage increase.

*Comment:* Several commenters suggested that the proposed 8 percent threshold for a wage increase adjustment is too stringent. One commenter was critical of our proposal to limit the adjustment to hospitals located in those areas where the increase is significantly above the national average. That commenter argued that section 1886(b)(4)(B) of the Act requires that, in determining whether to assign a new base period,

the Secretary take into consideration only whether the increase in area wages exceeds the national average increase, and not whether the area increase in wages is significantly higher than the national average increase. Another commenter indicated that the individual hospital's wage increase should have no bearing on the amount of the adjustment because section 1886(b)(4)(B) of the Act uses only the comparison of the area wage increase to the national average as a factor in the new base period assignment. In contrast, other commenters suggested that the methodology for determining the adjustment should be based solely on a comparison of the increase in the hospital's own wages to the national average and should not take into consideration area wage increases.

*Response:* We continue to believe that it is appropriate to take into account comparisons of both the rate of increase in the hospital's own wages and in the average area wages to the national average in determining whether to make an adjustment in the target amount for wage increases. The comparison of the area wage increase to the national wage increase establishes whether there are atypical wage pressures in the labor market area that cause wage increases beyond the hospital's control. The comparison of the hospital's wage increase to the national average determines the extent to which the hospital's wage increase exceeds the increase in wages accounted for by the update factor. If the hospital's wage increase has been accounted for by the update factor, there is no basis for a wage adjustment.

As amended by section 4005(c)(2) of Public Law 101-508, section 1886(b)(4)(B) of the Act provides that the area wage comparison is one of several factors that the Secretary should take into consideration in assigning a new base period. The Conference Committee report accompanying section 4005(c)(2) of Public Law 101-508 indicated that the conferees did not intend that an above average increase in area wages would automatically result in assignment of a new base period (H.R. Rep. No. 964, 101st Cong. 2nd Sess. 704 (1990)).

Similarly, we do not believe it is appropriate for any wage increase that is in excess of the national average increase to result in an automatic adjustment to the target amount. The basic purpose of the rate of increase limitation is to hold hospitals to an annual rate of increase unless events beyond a hospital's control or extraordinary circumstances warrant an adjustment. One of the underlying

premises is that while a hospital may experience cost increases that are above average in some areas, there are other areas where its increases are less than average and, on average, the target rate of increase is appropriate. If we were to adjust for any wage increases that are above average, we would defeat the purpose of the rate of increase limit. To avoid doing so, we are limiting the adjustment to significant wage increases that are beyond the hospital's control. We believe these rates of increase are sufficiently high that it would be unreasonable to expect the hospital to offset the wage increases with cost containment measures in other areas.

We do not agree with the commenters that the 8 percent threshold is too stringent. The threshold applies to the relative rate of increase. In other words, if the national average hourly wage increases by 6 percent in a given year, we will consider it significant if the hospital's wages increased by 6.48 percent. We do not believe that this is an unreasonable threshold amount.

For purposes of determining whether a hospital is eligible for a wage adjustment, the labor market area in which the hospital is located must have had at least an 8 percent increase between the applicable area wage index values used in the comparison. If the hospital is located in a labor market area with significant wage increases, the adjustment will be based on the amount by which the lower of the hospital's or the labor market area's rate of increase exceeds the national rate of increase by more than 8 percent. We are providing, in table 9 of section IV of the addendum to this final rule, a listing of the labor market areas that have had wage increases in excess of 8 percent. Consistent with the proposed rule, we have determined the wage index based on 1988 wage data using the most current data available and without regard to geographic reclassifications under section 1886(d)(10) of the Act.

Following is an example of the determination of the wage index adjustment based on the 8 percent threshold:

**Example:** A rehabilitation hospital located in Boston, Massachusetts has a base period beginning January 1, 1984. The wage index value for Boston, Massachusetts based on 1984 wage data was 1.0813. The wage index value based on 1988 wage data is 1.1820. The rate of increase above the national average rate of increase equals  $(1.1820 - 1.0813) / 1.0813$ , or 9.31 percent. Since the additional rate of increase is more than 8 percent, the hospital may qualify for a wage adjustment. The 9.31 percent will be assumed to apply to each of the years between 1984 and 1988 and, until a new wage index is published, to 1989 and later.

The hospital is requesting an adjustment for its 1990 cost reporting period. Over this period, its average hourly wage increased from \$8.00 to \$12.63. The hospital's salaries, fringe benefits, and payments for contract labor and computer services constitute 75 percent of its operating costs. In FY 1990, its operating costs per case were \$8,000 and its target amount prior to adjustment was \$7,600.

**Step 1:**

a. Determine the hospital's rate of increase in average hourly wages:

$\$12.63 - \$8.00 / \$8.00 = .578$ , or 57.8 percent

b. Determine the labor market area's rate of increase in average hourly wages by multiplying the national average increase by the rate at which the increase in average hourly wage in the Boston MSA exceeded the national rate of increase (9.31 percent):

1985  $5.4 \times 1.0931 = 5.90$

1986  $4.1 \times 1.0931 = 4.48$

1987  $4.7 \times 1.0931 = 5.14$

1988  $6.5 \times 1.0931 = 7.11$

1989  $6.9 \times 1.0931 = 7.54$

1990  $5.6 \times 1.0931 = 6.12$

$(1.0590 \times 1.0448 \times 1.0514 \times 1.0711 \times 1.0754 \times 1.0612) = 1.422$ , or 42.2 percent

Since the rate of increase in the labor market area (42.2 percent) is less than the hospital's rate of increase (57.8 percent), the increase in the labor market area will be used in the rest of the calculations.

**Step 2:** Determine the adjustment threshold by increasing the rate of increase in the national hourly average wage by 8 percent.

$5.4 \times 1.08 = 5.83$

$4.1 \times 1.08 = 4.43$

$4.7 \times 1.08 = 5.08$

$6.5 \times 1.08 = 7.02$

$6.9 \times 1.08 = 7.45$

$5.6 \times 1.08 = 6.05$

$(1.0583 \times 1.0443 \times 1.0508 \times 1.072 \times 1.0745 \times 1.0605) = 1.416$ , or 41.6 percent

**Step 3:** Determine the adjustment to the wage-related portion of the target amount by subtracting the amount determined in Step 2 from the amount determined in Step 1:

42.2 percent - 41.6 percent = 0.6 percent

**Step 4:** Determine the adjusted target amount.

a. Determine the wage-related portion of target amount subject to adjustment.

$\$7,600 \times .75 = \$5,700$

b. Apply the adjustment determined in Step 3 to the wage-related portion of target amount.

$\$5,700 \times 1.006 = \$5,734.20$

c. Determine the adjusted target amount by adding the adjusted wage-related portion of the target amount to the nonwage-related portion.

$\$5,734.20 + (\$7,600 \times .25) = \$7,634.20$

Since \$7,634.20 is less than the hospital's operating costs per case, the full adjustment will be authorized.

**Comment:** One commenter questioned why the threshold would be the same for an increase measured over the 6-year period from 1982 to 1988 and an increase over the 4-year period from 1984 to 1988. In the commenter's view, the threshold should be smaller for measuring wage changes over 4 years

than for measuring wage changes over 6 years.

**Response:** The commenter may have misunderstood the basis of the comparison, which is relative rates of increase in the average hourly wage. If the national average increased 6 percent, the test is whether the rate of increase was 8 percent higher than the national average, that is, 6.48 percent ( $6 \times 1.08$ ). It is appropriate to have a single annual percentage threshold that is applied to the actual rates of increase in each year. The definition of a significant wage increase is based on annual rates of increase that are 8 percent higher than the national rate of increase for each year. For example, the national hourly wage increased 6.5 percent in 1988 and 6.9 percent in 1989, or 13.8 percent ( $1.065 \times 1.069$ ) over the 2-year period. In determining the cumulative threshold, 7.02 percent ( $6.5 \times 1.08$ ) would be used for 1988 and 7.452 percent for 1989, or 15.0 percent over the 2-year period. The cumulative threshold will increase as the comparison period lengthens.

**Comment:** Several commenters recommended that hospitals that do not qualify for a wage adjustment based on the established methodology should be able to demonstrate special circumstances that warrant a wage adjustment. One commenter stated that the adjustment for significant wage adjustments failed to address situations in which a hospital had below market wages in the base year or is at a competitive disadvantage with new hospitals that have a more recent base period and, therefore, higher wages in their target amount.

**Response:** A hospital that does not qualify for an adjustment based on significant wage increases may still request consideration of an adjustment to its target amount under § 413.40(g)(3) if there is a significant distortion in the hospital's costs between the base year and the current year. However, no adjustment will be given for increases in salaries for specific classes of employees, such as therapists, without the hospital documenting that its average hourly increase for all employees is significantly higher than the increase that is accounted for in the update factor. The rate of increase limit is based on average increases, and it would not be appropriate to make an adjustment for the salaries of some employee groups without taking into account wages for other groups that may have increased at a lower rate. Similarly, no adjustment will be given for increases occurring in a single year without consideration of the cumulative



increase in wages since the base period. The average wage increase may be higher than the national average in one year and less than the national average in another. An adjustment is warranted only if there is a distortion from the base period. Finally, no adjustment will be granted unless the hospital documents that the increases are beyond its control.

The issues raised by the commenter regarding hospitals that are at a competitive disadvantage because of low base year wages are inherent in a rate of increase limit on hospital-specific costs and are beyond the scope of the adjustment process. Instead, they are part of the broader issues of the rate of increase limits that we will be addressing in a report to Congress required by section 4005(b) of Public Law 101-508 concerning proposals for modifications in the payment methodology for hospitals that are excluded from the prospective payment system. The report is due to Congress by April 1, 1992.

**Comment:** A commenter argued that the area wage indexes should not be used in determining if there has been a significant increase in the area wages. This is because the 1982 and 1984 wage data include excluded hospitals, which do not have the same labor mix as acute care hospitals, whereas the 1988 wage data do not include these hospitals. The commenter is also concerned that the comparison may be distorted if the hospital's base year does not coincide with the year the wage survey was conducted.

**Response:** We use the hospital wage index data to determine whether the wage increases in the area are significantly above the national average because it is the best data available on wage increases across labor market areas. Although the 1988 wage data are an improvement over the 1982 and 1984 wage data, we do not agree with the commenter's conclusion that the earlier data are too inaccurate to use. If a hospital does not qualify for an adjustment based on the methodology we are adopting in this final rule, the hospital may still request an adjustment based on other data that demonstrate that the average increase in the hospital's wages and in the area wages since the hospital's base year are significantly above the national average. As indicated in response to an earlier comment, these data must cover all employee classes and cannot be limited to specific years or classes of employees.

**Comment:** Two commenters indicated that the wage increase adjustment should not be limited to direct wages and fringe benefits and that recognition

should be given to the costs incurred in contracting for the services of nurses and other health professionals. One of the commenters recommended that the adjustment should take into account all components that would be subject to the area wage adjustment under the prospective payment system.

**Response:** We agree with the commenter that the portion of the target amount that is adjusted for significant wage differences should include the components of cost that comprise the labor-related portion of the target amount as defined in the hospital market basket. This includes, in addition to the hospital's wage and fringe benefit costs, costs for contract labor (exclusive of payments for supplies and equipment), other professional fees, and payments for business and computer services and blood services. For excluded hospitals, the labor-related component constitutes, on average, 80.5 percent of costs. The actual portion of the target amount that will be adjusted for significant wage increases will be based on the hospital's own proportion of costs that are labor-related.

We do not agree with the commenters that the comparison of the hospital's rate of increase in average hourly wages should include contract labor. This is because the hospital wage index does not include contract labor and it would distort the comparison to include contract labor costs in the hospital's average hourly wage but not in the national average hourly wage. The assumption in excluding contract labor from all comparisons is that the effect of contract labor on the relative rates of increase in wage-related costs is the same across geographic areas. Excluding contract labor does not understate the comparison of either the area rate of increase or the hospital rate of increase with the national average rate of increase unless both the hospital's use of contract labor and the rate of increase in hourly contract labor costs is disproportionate to the national average. Hospitals that believe they are disadvantaged by the comparison may request an adjustment under § 413.40(g)(3).

**Comment:** One commenter complained that the wage increase adjustment does not correct for understatements of the target rate of increase updates prior to FY 1988.

**Response:** The wage adjustment is designed to correct for significant wage increases that have not been accounted for under the rate of increase limit established by law. It would be contrary to the purpose of the adjustment to use it to correct for reductions in the update factors that were made to account for

the rapid growth in prospective payments due to case-mix increases. (See the June 3, 1991 proposed rule (56 FR 25321).) The Secretary's recommendation for the FY 1992 update factor addresses the concern that a cumulative comparison of update factors and the hospital market basket indicates excluded hospitals with base periods beginning in FY 1983 through FY 1987 have been disadvantaged and warrant a higher update relative to other excluded hospitals.

#### 4. Adjustment for Part B Services (§ 413.40(g); formerly § 413.40(h))

Current § 413.40(h)(1)(i) states that base period costs are to be adjusted to explicitly include services billed under part B of Medicare during the base period, but paid under part A during the subject cost reporting period. The purpose of this provision was to take into account the requirement that the hospital furnish directly or under arrangements all nonphysician services furnished to inpatients effective October 1, 1983. With this requirement, outside suppliers were no longer permitted to bill directly under Part B for services they furnished to hospital inpatients.

Section 4003 of Public Law 101-508 amended section 1886(a)(4) of the Act by expanding the definition of inpatient hospital services to include diagnostic or other services that are related to the admission (as defined by the Secretary) that are provided by the hospital (or by an entity wholly owned or operated by the hospital) during the 3 days immediately preceding the date of the patient's admission. We are implementing this provision through program instructions and a separate Federal Register document.

To the extent a hospital furnishes services prior to admission that were not considered inpatient hospital services in the base period, there will be a cost distortion between the base period and the current cost reporting period. Current § 413.40(h)(1)(i) provides that the cost distortion would be corrected through an adjustment to the base period. We do not believe it is feasible for hospitals to reconstruct from base period billing information the cost of services that would be affected by section 4003 of Public Law 101-508. Therefore, we proposed in redesignated § 413.40(g)(3)(ii)(B) to delete the reference to the base period adjustment and authorize adjustment for Part B services to either the base period or the current period.

We received one comment, which supported the proposed change and,

thus, we are adopting § 413.40(g)(3)(ii)(B) as proposed.

**5. Assignment of a New Base Period (§ 413.40(i); formerly § 413.40(j))**

Section 1886(b)(4)(A) of the Act, as amended by section 6015(a) of Public Law 101-239, authorizes the Secretary to assign a new base period to a hospital if it is more representative of the reasonable and necessary costs of its inpatient services. Implementing regulations were published in the April 20, 1990 final rule with comment period (55 FR 15157) and the comments received on that rule were discussed in the September 4, 1990 final rule (55 FR 36003). Current § 413.40(j) (redesignated as § 413.40(i)) provides that the Secretary may assign a new base period if the hospital experiences a substantial and permanent change in patient care services that is so broad in nature that the resulting cost distortion cannot be adequately addressed through the more targeted adjustments available under current § 413.40 (g) and (h) (redesignated as § 413.40(g)). As is the case with adjustments, rebasing is authorized only if the hospital's operating costs per discharge are in excess of its target amount.

Section 4005(c)(2) of Public Law 101-508 added a new section 1886(b)(4)(B) of the Act to include factors that the Secretary must take into consideration in determining whether to assign a new base period. These factors are the following:

- Changes in applicable technologies and medical practices.
- Differences in the severity of illness among patients.
- Increases in wages and wage-related costs for hospitals in the area that exceed the national average increases.
- Such other factors as the Secretary considers appropriate in determining increases in the hospital's costs of providing inpatient services.

The Conference Committee report accompanying the legislation noted that the assignment of the new base period falls within the Secretary's discretionary authority to grant adjustments to the target amount. (See H.R. Rep. No. 964, 101st Cong., 2nd Sess. 704 (1990)). The conferees stated that although the Secretary was required to take into consideration certain factors in determining whether to assign a new base period, the Secretary may take into consideration other factors that might lead to a determination that a new base period is not warranted. Further, the conferees noted that they did not expect the increase in wage-related costs in the area to result in an automatic

assignment of the base period. The amendment is effective for cost reporting periods beginning on or after April 1, 1990.

We proposed to revise current § 413.40(j)(1) (redesignated as § 413.40(i)(1)) to include the factors specified in section 1886(b)(4)(B) of the Act in the determination of whether the hospital's costs are necessary and proper. We intend to take these factors into account in conjunction with the factors that are already identified in redesignated § 413.40(i)(1). The factors identified in redesignated § 413.40(i)(1) constitute other factors that we believe are appropriate in determining whether the cost increases warrant rebasing. We do not anticipate that any of the added factors in isolation would result in the assignment of a new base period since these factors in isolation can be accommodated through the adjustment provisions provided in redesignated § 413.40(g). However, we will consider the hospital's documentation of the changes in technology, medical practices, and patient severity and the impact of those changes on the hospital's costs as support of the requirement that a substantial and permanent change in furnishing patient care has been met. We also consider the hospital's demonstration that the wage increases in the area have exceeded the national average increase and have had a substantial impact on the hospital's costs in determining whether increases in the hospital's wage costs are necessary and proper.

The circumstances under which we will authorize the assignment of a new base period continue to be limited to those involving substantial and permanent changes in patient services that cannot be addressed by the more targeted adjustments provided for by redesignated § 413.40(g) as set forth above. To some extent, cost increases for new technologies and changes in medical practice patterns are offset by productivity improvements and are taken into account in the update factor. When the new technology or change in medical practice patterns results in the provision of a new service, it creates a cost distortion that will be a basis for an adjustment to the target amount under redesignated § 413.40(g). Similarly, cost increases that are attributable to changes in the patient population that result in increases in service intensity or length of stay are a basis for an adjustment. As explained above in section IV.F.3 of this preamble, we are establishing an adjustment under § 413.40(g) for significant wage increases.

We received no comments that specifically addressed the changes we proposed. We did receive several comments that suggested that we are interpreting section 1884(b)(4)(A) of the Act too restrictively. Since we did not propose to make any changes other than those required by section 4005(c)(2) of Public Law 101-508, we are not responding to those commenters in this final rule. We responded to similar comments in the September 4, 1990 final rule (55 FR 36003). However, we are responding to one commenter's suggestion that we expand the general adjustment authority to provide for the assignment of a new base period when the adjustment results in the full recognition of costs.

*Comment:* One commenter noted that the proposed assignment of a new base period for excluded hospitals and units would be limited to cases involving changes that cannot be addressed by the adjustment authority provided for by the proposed § 413.40(g). The commenter believes it would be helpful if the "general rule" under § 413.40(g)(1) stated that HCFA may assign a new base period if the adjustments described in paragraph § 413.40(g) do not result in the recognition of the reasonable and necessary costs of providing inpatient services.

*Response:* We disagree with the commenter. As we explained in the September 4, 1990 final rule (55 FR 36003), we do not believe that Congress intended us to implement this provision with broad and general criteria that would permit the widespread assignment of new base periods. Such action would have been inconsistent with the basic premise of the rate of increase limitation, which is to hold hospitals to the annual rate of increase except when events beyond a hospital's control or extraordinary circumstances warrant an adjustment. Therefore, to avoid substantially revamping the rate of increase limits methodology, we have limited the assignment of a new base period to hospitals that meet the specific conditions set forth under § 413.40(i).

For hospitals to qualify for an assignment of a new base period under this provision, the higher costs must result from substantial and permanent changes in furnishing patient care services. Thus, if the more limited adjustments do not result in full recognition of the reasonable and necessary costs of providing inpatient services, it does not necessarily follow that a new base period will be assigned. In this regard, we note that a hospital's costs may frequently exceed the target amount, even after adjustments, because



of generally higher rates of increase in costs relative to the rate of increase limit. However, this type of cost increase is not the kind that would qualify a hospital for an assignment of a new base period.

#### *G. Direct Graduate Medical Education Payments (§ 413.86)*

Section 1886(h)(5)(A) of the Act provides that "[t]he term 'approved medical residency training program' means a residency or other postgraduate medical training program participation in which may be counted toward certification in a specialty or subspecialty and includes formal postgraduate training programs in geriatric medicine approved by the Secretary." On September 29, 1989, we published a final rule in the *Federal Register* (54 FR 40286) that added a new § 413.86, which included a new counting methodology for determining resident full-time equivalents (FTEs) for graduate medical education payment (GME) purposes. In § 413.86(b), we defined *Approved medical residency program* as a program that meets one of three criteria. Under the second criterion, the program "may count towards certification of the participant in a specialty or subspecialty listed in the Directory of Residency Training Programs published by the American Medical Association. In reviewing the second criterion, we have determined that the definition is not sufficiently broad in accordance with section 1886(h)(5)(A) of the Act. That is, the Directory of Residency Training Programs published by the American Medical Association is not the sole directory of specialties and subspecialties that are counted toward certification by a national organization. In addition, the American Board of Medical Specialties publishes a current directory of approved programs in its Annual Report and Reference Handbook. An approved program is one for which a member specialty board of the American Board of Medical Specialties may confer a general or subspecialty certificate. We received several comments supporting this change and, therefore, we are amending the third criterion of Approved medical residency program under § 413.86(b) to include programs that may count towards certification of the participant in a specialty or subspecialty listed in the Annual Report and Reference Handbook published by the American Board of Medical Specialties.

#### **VI. Other ProPAC Recommendations**

As required by law, we reviewed the March 1, 1991 report submitted by

ProPAC to Congress and gave its recommendations careful consideration in conjunction with the proposals set forth in the proposed rule. We also responded to the individual recommendations in the proposed rule. The comments we received on the treatment of the ProPAC recommendations are set forth below along with our responses to those comments. However, if we received no comments from the public concerning a ProPAC recommendation or our response to that recommendation, we have not repeated the recommendation and response in the discussion below. Recommendations 1 and 6 concerning the update factors are discussed in appendix B to this document. Recommendation 4 concerning incorporating the occupational mix data into the area wage index is discussed in section IV of this preamble. Recommendation 5 concerning adjusting payments for acute myocardial infarction (AMI) is discussed in section III.C of this preamble. The remaining recommendations on which we received comments are discussed below.

#### *A. The Indirect Medical Education Adjustment (Recommendation 3)*

**Recommendation:** The indirect medical education (IME) adjustment to PPS should be reduced from its current level of 7.7 percent to 7.0 percent for FY 1992. This reduction should be implemented in a budget-neutral fashion, with the anticipated decrease in IME payments returned to all hospitals through corresponding increases in the standardized payment amounts. Before recommending further reductions, ProPAC intends to examine the financial status of teaching hospitals to determine whether further reductions in the IME adjustment would produce deleterious effects on access to care for Medicare beneficiaries.

**Response in the Proposed Rule:** ProPAC's recommended reduction of 0.7 percentage points in the IME adjustment represents one-fifth of the difference between the current level of 7.7 percent (set forth at section 1886(d)(5)(B)(ii) of the Act) and 4.2 percent, which is ProPAC's most recent estimate of the effect of teaching activity on inpatient operating costs. That is, ProPAC estimates that for every 10 percent change in the resident-to-bed ratio, there is, on average, a 4.2 percent increase in Medicare inpatient operating costs per case.

The statistical model ProPAC used to generate the estimate of 4.2 percent is different from previous models in that it did not control for the effects on costs of a disproportionate share of low-income

patients. When controlling for these effects, ProPAC's estimate was 2.1 percent. The difference in the estimates is due to the overlap of hospitals receiving both the IME and the disproportionate share adjustments.

We agree that the IME adjustment should be reduced from its current level. The President's budget for FY 1992 proposes to reduce the adjustment over 5 years, starting at 4.4 percent during FY 1992, and gradually reducing it to 4.1 percent in FY 1993, 3.8 percent in FY 1994, 3.5 percent in FY 1995, and 3.2 percent in FY 1996. Because we believe payment levels to other hospitals are adequate, the money saved from reducing the adjustment should be retained as budget savings rather than redistributed among all hospitals, as proposed by ProPAC. Our proposal to lower the adjustment to 3.2 percent over a 5-year period is based on the results of the analysis ProPAC included in its March 1, 1990 report, which estimated a 3.2 percent effect of graduate medical education of higher operating costs. This estimate was attained by controlling for all payment variables, including disproportionate share payments. We believe it is appropriate to control for the effects of disproportionate share when estimating the effects of teaching. Not controlling for the effects of all of the payment variables distorts the results by loading the effects of the excluded variables onto the estimates of the other variables.

Continuing to pay IME at the current level, or reducing it to 7.0 percent as proposed by ProPAC, would result in payments exceeding all recent estimates of the indirect costs associated with graduate medical education. We strongly believe that payment for the added costs associated with graduate medical education should be based on the best estimate of the added costs incurred in treating Medicare patients and that payment in excess of this amount is an inappropriate expenditure of Medicare trust funds.

In addition, it must be noted that teaching hospitals continue to have much higher Medicare operating margins than nonteaching hospitals. In FY 1998, the most recent year for which complete data are available, major teaching hospitals (that is, those with resident-to-bed ratios greater than or equal to .25) had an average Medicare operating margin of 12.4 percent, while nonteaching hospitals had a Medicare operating margin of negative 1.7 percent. The national average Medicare operating margin was 2.2 percent, and minor teaching hospitals (that is, those with a resident-to-bed ratio of less than

.25) had an average Medicare operating margin of 3.7 percent.

ProPAC's reason for reducing the adjustment only to 7.0 percent in FY 1992 is that major teaching hospitals have had lower total operating margins (which are based on the facility's overall operations, not just Medicare patients) than other types of hospitals. These lower total operating margins are associated with the fact that major teaching hospitals tend to be faced with a broad array of social issues not directly related to Medicare patients, stemming largely from their location in urban areas and their role in providing services to low-income individuals. ProPAC's concern is that a reduction greater than 7.0 percent might impair the continued operation of these hospitals and, thus, the fulfillment of their special role in the health care system.

While we share ProPAC's view that teaching hospitals fulfill a unique health care role, we disagree with the conclusion that the IME adjustment should be decreased only marginally in order to help offset losses in other areas of the operations of teaching hospitals. First, teaching hospitals have successfully responded to the incentives of the prospective payment system in the past, and we believe that they will continue to do so. In addition, social problems that are not directly related to Medicare beneficiaries should be addressed through more targeted policies rather than through indirect subsidies in the form of higher Medicare payments to all teaching hospitals. In this regard, we note that in ProPAC's discussion of uncompensated care at the end of the recommendations section, ProPAC indicated that it found no relationship between the amount of uncompensated care a hospital provides and the IME payments it receives. (Specifically, ProPAC found that although the top 10 percent of prospective payment hospitals in terms of uncompensated care load provide 27 percent of all uncompensated care, these hospitals together receive the same proportion of total IME payments (9 percent) as do the prospective payment hospitals ranking in the bottom 10 percent of uncompensated care load, which provide only 1 percent of all uncompensated care.) The Secretary's Task Force on Health Care Reform is examining more appropriate ways to address some of these larger social issues.

The President's budget for FY 1992 also recommends that the measure of teaching intensity be changed, on a budget neutral basis, from a resident-to-bed ratio to a resident-to-average daily

census (or resident-to-day) ratio. This change is based on our belief that use of beds in the measurement of teaching intensity presents hospitals an opportunity to receive higher Medicare payments per case simply by taking unused beds out of service. It is highly unlikely that the closing of unused beds should increase the impact of teaching activities on operating costs.

*Comment:* We received two comments concerning our proposal that the IME adjustment should be reduced to a level below that recommended by ProPAC. ProPAC agreed with our position that health-related social problems that are not directly related to Medicare beneficiaries should be addressed through policies targeted directly at those problems. However, concern that a sharp reduction in the IME adjustment might adversely affect Medicare beneficiaries' access to high-quality health care by exacerbating the weak (non-Medicare) financial condition of major teaching hospitals led ProPAC to object to the reductions in the IME adjustment proposed in the President's FY 1992 budget. The second commenter stated that the proposed reduction in the IME adjustment factor does not address the limitations in the DRG system cited by Congress when discussing the need for such an adjustment in the original prospective payment system legislation. That is, the IME adjustment was included in the system in part to help account fully for factors such as the severity of illness of patients requiring specialized treatment provided by teaching hospitals, which Congress was unsure would be covered by the DRG system.

*Response:* As we stated in the proposed rule, we recognize the unique role fulfilled by teaching hospitals, especially major teaching hospitals, in maintaining a high-quality health care system. Nevertheless, Medicare payment-to-cost relationships for teaching hospitals are, on average, consistently above those of other hospital groups, while estimates (including those performed by ProPAC) of the effects of teaching on hospital costs are consistently well below the current adjustment and that proposed by ProPAC. Therefore, we believe the reductions to the IME adjustment proposed in the President's budget are very reasonable. Since the publication of the proposed rule, the FY 1989 Medicare cost data have become available. These data indicate that the Medicare operating margins for teaching hospitals during FY 1989 remain higher than those of nonteaching hospitals. In addition, we continue to believe that

teaching hospitals will respond successfully to the incentives of the prospective payment system as they have in the past and that the IME adjustment is an inappropriate and ineffective vehicle for addressing the problem of uncompensated care.

In response to the second commenter, we note that the IME adjustment was set at 11.59 percent when the prospective payment system was enacted, which was twice the estimated cost effect at that time. The cost estimate was doubled due to concern that teaching hospitals would be adversely affected by the change to prospective payment. As noted above, this has not been the case. In fact, Congress' doubts appeared to have been alleviated by 1986 when it enacted section 9104 of the Consolidated Omnibus Budget Reconciliation Act of 1985 (Pub. L. 99-272), which amended section 1886(d)(5)(B) of the Act to reduce the adjustment to a level equal to the estimate by the Congressional Budget Office of the actual effects of teaching on hospitals' costs per discharge.

As we noted in the September 4, 1990 final rule (55 FR 36066) in response to a similar comment, one of the reasons for the smaller estimate of the effects of teaching on hospital costs is the refinements we have made to the DRGs, so that they more closely reflect the variations in costs associated with differences in the severity of illness. Therefore, given the ongoing favorable performance of teaching hospitals under the prospective payment system, we do not think it is necessary to continue to pay teaching hospitals an IME adjustment beyond the estimated teaching cost effect on the hospital's operating costs per case.

*Comment:* In its comment, ProPAC also advised against changing the measure of teaching intensity from the resident-to-bed ratio to the resident-to-day (average daily census) ratio, as we proposed in the President's budget. ProPAC is concerned that such a change would reward hospitals with low occupancy rates and would result in lower payments to major teaching hospitals, which tend to have high occupancy rates. An example was given in which, if two hospitals with identical counts of residents and beds have different occupancy rates, the hospital with the lower occupancy rate would have the higher resident-to-day ratio. It was noted that many major teaching hospitals traditionally have high occupancy rates; thus, these hospitals would lose relative to other teaching hospitals if such a change were to be made.

*Response:* We do not disagree with the example given, but would note that the indirect operating costs stemming from teaching programs should be more closely related to the numerical relationship between residents and patients rather than the relationship between residents and beds. That is, one would expect the indirect medical education cost experiences of two hospitals with the same ratios of residents to average daily census but different ratios of residents to available beds to be more similar than a situation where this relationship is reversed. This expectation has been borne out by our analysis, which found that replacing available beds with average daily census is a better estimate of the effect of a teaching program on hospital costs as indicated by a smaller standard error (the variance of the coefficient) and a slightly larger t-statistic (an indicator of the significance of the independent variable as an estimator of the dependent variable) when the resident-to-day ratio is used to estimate the effect rather than the resident-to-bed ratio.

In addition, the administrative complexities that are involved with trying to identify and count available beds would be reduced by revising the denominator to occupied beds. The General Accounting Office recently released a report on the identified weaknesses in data used to calculate the IME adjustment. (A copy of this report, "Flawed Data Add Millions to Teaching Hospital Payments," GAO/IMTEC-91-31, June 1991, can be obtained by contacting the U.S. General Accounting Office, P.O. Box 6015, Gaithersburg, MD 20877 or by calling (202) 275-6421.) The study indicates that problems exist regarding the uniform application of our bed-counting policy. While the report does not include a recommendation to adopt average daily census, because we had already included that recommendation as a part of the FY 1992 budget proposal, it does refer to average daily census as a "verifiable" statistic compared to beds.

We are aware of the redistributive effects that would result among major teaching facilities with high occupancy rates and teaching hospitals with lower occupancy rates if the resident-to-day ratio were to be adopted. We do not believe, however, that this should obscure the need to refine the IME adjustment to approximate more accurately the costs hospitals incur as part of the teaching process. As stated in our previous response, the IME adjustment is neither the most appropriate nor the most effective

method for addressing non-Medicare related social health issues. We note that we are providing for an adjustment under the capital prospective payment system that is based on the effect of teaching activity on combined operating and capital costs. The specification of the adjustment formula is based on the resident-to-day ratio and will increase approximately 2.8 percentage points for each .10 increase in a hospital's resident-to-day ratio. For further information on this adjustment, see Section IV.E in this document.

*Comment:* After publication of the proposed rule, we receive many inquiries concerning the actual effects of the FY 1992 budget proposals to reduce the IME adjustment and to change the denominator to average daily census. Several individuals were concerned that we were proposing these changes effective October 1, 1991.

*Response:* We are not changing the level of the IME adjustment or the measure of teaching intensity as part of this final rule. Section 1886(d)(5)(B)(ii) of the Act specifies the level of the IME adjustment at 7.7 percent and the use of available beds in the adjustment formula. Thus, changing either policy would require Congressional action to amend the Act. The proposal discussed in the proposed rule are part of our recommendation for the President's FY 1992 budget. Absent any Congressional action, the IME adjustment for operating costs remains at 7.7 percent, and we will continue to use available beds rather than average daily census for calculating IME payments for operating costs under the prospective payment system.

#### *B. Data Collection and Coding Requirements (Recommendation 9)*

*Recommendation:* Uniform coding and billing requirements should be implemented for all providers of outpatient care. These requirements should apply to the hospital outpatient setting, physicians' offices, and free-standing ambulatory care providers. In addition, a mechanism for periodic collection of producer-specific cost data in free-standing settings (including physicians' offices and ambulatory surgery centers) should be implemented.

*Response in the Proposed Rule:* We agree in principle with ProPAC's recommendation. Both uniform coding and billing requirements and a systematic cost data collection mechanism are prerequisites for a prospective payment system that would be applicable across all outpatient settings. However, in practice, there are several problems involved in the implementation of this recommendation.

First, it should be understood that there are two categories of codes to which the recommendation applies, diagnosis coding and procedure coding. HCFA uses the ICD-9-CM coding system for reporting diagnoses and inpatient hospital procedures and the CPT-4 coding system for reporting ambulatory services. A major problem in implementing ProPAC's recommendation is the lack of standardization between the two coding systems, which are managed by separate entities.

As discussed in section III.B.10 of this preamble, HCFA plays a major role in the development of ICD-9-CM coding guidelines, since the ICD-9-CM system is controlled by two Federal agencies, NCHS and HCFA. We have made significant progress in standardizing the way in which ICD-9-CM codes are used. HCFA and the NCHS work closely with AHA and AMRA in developing the ICD-9-CM coding guidelines.

The CPT-4 coding system is owned and managed by the American Medical Association (AMA). Although HCFA participates as one of 12 voting members of the panel that creates CPT-4 codes, we have no control over either the creation of the codes or the AMA's coding guidelines. We are continuing to encourage the AMA to strive toward a more systematic coding system.

Another problem inherent in the use of the CPT-4 coding system is that it was designed specifically for reporting physician services. Ambulatory services provided by nonphysician practitioners, such as physical and occupational therapists, speech pathologists and audiologists, optometrists, and nurse practitioners are not always included in the CPT-4 system. The lack of a single coding system that is used by all providers of ambulatory services makes comparisons of services across all outpatient settings difficult. We recommend that the procedure coding system that we ultimately adopt be uniform and contain codes for all types of providers and practitioners to make possible standardized procedure coding and billing across all ambulatory settings.

With respect to ProPAC's recommendation regarding cost data collection, we agree that a more systematic and comprehensive method is needed for collecting nonhospital cost data for rate-setting purposes, and we have begun to examine the design of such a method. A data collection system should employ a sample from all outpatient settings and take into account surgical and medical specialty, volume of procedures, and case mix. Critical

elements of such a data collection system will be the definition of a unit of service that is comparable across all service sites and the universal use by both providers and fiscal intermediaries of a unique provider identification number. Verification of the data by audit is essential, as is the establishment of quality of care measurements to assure that the quality of service is reasonably comparable across care settings. Policies will also need to be developed to determine payment for services and procedures when there are insufficient cost data available to set payment rates.

In conclusion, we support ProPAC's recommendation regarding uniform coding requirements and the need for periodic cost data collection. We will continue to explore possible mechanisms for achieving these ends.

*Comment:* We received one comment supporting ProPAC's recommendation that we implement uniform coding and billing requirements for all providers of outpatient care. The commenter urged that the ICD-9-CM coding system be adopted as the sole reporting system.

*Response:* As noted in our response to the ProPAC recommendation in the June 3, 1991 proposed rule, we recognize the need for uniform coding and billing requirements and agree that HCFA will continue to evaluate that recommendation.

## VII. Other Required Information

### A. Paperwork Reduction Act

This final rule does not impose information collection requirements. However, completion of the UB-82 billing form (the billing form used for Medicare discharges), as discussed in section III.B.11 of this preamble, requires information collection that is subject to review by the Office of Management and Budget (OMB) under the authority of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501-3511). The current information collection requirements associated with the UB-82 billing form have been approved through April 30, 1992 under OMB number 0938-0279.

In this document, we are announcing changes to the UB-82 billing form that result in an increase in the number of fields for diagnosis and procedure codes that may be completed. The current UB-82 billing form limits these fields to five diagnosis and three procedure codes. We have decided to expand the UB-82 billing form to include nine diagnosis fields and six procedure code fields effective for discharges occurring on or after October 1, 1991. However, hospitals that need to make internal changes in their claims reporting

systems to accommodate the expansions will have until April 1, 1992 to begin expanded coding.

There are approximately 10 million Medicare inpatient hospital claims filed every year. Of that number, we estimate that approximately 86 percent of the claims are completed with the current five diagnosis codes and approximately 87 percent of the claims are completed with the current three procedure codes. Thus, we estimate that no more than 27 percent of the claims (if there is no overlap between these two sets) and possibly as few as 14 percent of the claims will require additional coding.

Because the prospective payment system requires the coding of the principal diagnosis and because the coding of certain secondary diagnoses results in assignment of the claim to a higher-weighted DRG, medical record technicians and coders should already be reviewing the entire medical record and collecting all diagnosis codes to maximize DRG payment. Also, because there is a hierarchy that assigns a surgical claim to a DRG based on the most resource-intensive procedure, the technicians and coders must also review the entire record and collect all procedures. Thus, we estimate that these expanded reporting fields should not result in any additional collection activities. However, they will result in a minimal amount of time necessary to record the additional codes; we estimate that this will be less than 1 minute per claim. We believe that this additional time will be more than offset by the time saved due to the fact that, for the vast majority of claims, the coders and technicians will no longer be required to make any decisions concerning which diagnoses and procedures to code to ensure correct DRG assignment because there will be adequate room to include all codes.

The information collection and recordkeeping requirements associated with the expanded reporting fields in the UB-82 billing form have been sent to OMB for review under 44 U.S.C. 3501-3511. We will publish a notice in the *Federal Register* when approval has been obtained.

### List of Subjects

#### 42 CFR Part 412

Health facilities, Medicare, Reporting and recordkeeping requirements.

#### 42 CFR Part 413

Health facilities, Kidney diseases, Medicare, Reporting and recordkeeping requirements.

## CHAPTER IV—HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Subchapter B—Medicare Program

I. Part 412 is amended as follows:

A. The title of part 412 is revised to read as follows:

### PART 412—PROSPECTIVE PAYMENT SYSTEMS FOR INPATIENT HOSPITAL SERVICES

B. The authority citation for part 412 continues to read as follows:

Authority: Secs. 1102, 1815(e), 1871, and 1886 of the Social Security Act (42 U.S.C. 1302, 1395g(e), 1395hh, and 1395www).

C. The title of subpart B is revised to read as follows:

### Subpart B—Hospital Services Subject to and Excluded from the Prospective Payment Systems for Operating Costs and Capital Costs.

1. In § 412.23, the term "prospective payment system" is revised to read "prospective payment systems" wherever it appears; the introductory text of paragraph (b) is republished; and a new paragraph (b)(9) is added to read as follows:

#### § 412.23 Excluded hospitals: Classifications.

\* \* \* \* \*

(b) *Rehabilitation hospitals.* A rehabilitation hospital must meet the following requirements:

\* \* \* \* \*

(9) For cost reporting periods beginning on or after October 1, 1991, if a hospital is excluded from the prospective payment system for a cost reporting period under paragraph (b)(8) of this section, but the inpatient population it actually treated during that period does not meet the requirements of paragraph (b)(2) of this section, HCFA adjusts payments to the hospital retroactively in accordance with the provisions in § 412.130 of this part.

\* \* \* \* \*

2. In § 412.30, a new paragraph (c) is added to read as follows:

#### § 412.30 Exclusion of new distinct part rehabilitation units and expansion of units already excluded.

\* \* \* \* \*

(c) *Retroactive adjustments for certain units.* For cost reporting periods beginning on or after October 1, 1991, if a hospital has a new rehabilitation unit excluded from the prospective payment system for a cost reporting period under paragraph (a) of this section or expands an existing rehabilitation unit under paragraph (b) of this section, but the

inpatient population actually treated in the new unit or the beds added to the existing unit during that cost reporting period does not meet the requirements in § 412.23(b)(2), HCFA adjusts payments to the hospital retroactively in accordance with the provisions in § 412.130 of this part.

D. Subpart H is amended as follows:

#### **Subpart H—Payments to Hospitals under the Prospective Payment System**

1. Section 412.118 is redesignated as § 412.105; the heading of newly redesignated § 412.105 is revised; the undesignated introductory text and the introductory text of paragraph (a) are reprinted; paragraph (a)(2) is amended by revising the first sentence; paragraph (c) is revised; paragraph (d)(2) is removed; the introductory text of paragraph (d)(1) and paragraphs (d)(1)(i) through (d)(1)(iii) are redesignated as the introductory text of paragraph (d) and paragraphs (d)(1) through (d)(3), respectively; and paragraph (e) is revised to read as follows:

#### **§ 412.105 Determination of indirect medical education adjustment under the prospective payment system for operating costs.**

To determine the indirect medical education costs, HCFA uses the following procedures:

(a) *Basic data.* HCFA determines the following for each hospital:

(2) The hospital's total DRG revenue based on DRG-adjusted prospective payment rates for operating costs (for transition period payments, the Federal portion of the hospital's payment rates), including outlier payments determined under subpart F of this part but excluding additional payments made under the provisions of subpart G of this part.

(c) *Measurement for teaching activity.* The factor representing the effect of teaching activity on inpatient operating costs equals .405 for discharges occurring on or after May 1, 1986.

(e) *Determination of payment amount.* Each hospital's indirect medical education payment under the prospective payment system for operating costs is determined by multiplying the total DRG revenue, as determined under paragraph (a)(2) of this section, by the applicable education adjustment factor derived in paragraph (d) of this section.

2. A new § 412.130 is added to read as follows:

#### **§ 412.130 Retroactive adjustments for incorrectly excluded hospitals and distinct part units.**

(a) *Hospitals for which adjustment is made.* The intermediary makes the payment adjustment described in paragraph (b) of this section for the following hospitals:

(1) A hospital that was excluded from the prospective payment system as a new rehabilitation hospital for a cost reporting period beginning on or after October 1, 1991 based on a certification under § 412.23(b)(8) regarding the inpatient population the hospital planned to treat during that cost reporting period, if the inpatient population actually treated in the hospital during that cost reporting period did not meet the requirements of § 412.23(b)(2).

(2) A hospital that had a distinct part unit excluded from the prospective payment system as a new rehabilitation unit for a cost reporting period beginning on or after October 1, 1991 based on a certification under § 412.30(a) regarding the inpatient population the hospital planned to treat in that unit during that period, if the inpatient population actually treated in the unit during that cost reporting period did not meet the requirements of § 412.23(b)(2).

(3) A hospital that added new beds to its existing distinct part rehabilitation unit for a cost reporting period beginning on or after October 1, 1991 based on a certification under § 412.30(b) regarding the inpatient population the hospital planned to treat in these new beds during that cost reporting period, if the inpatient population actually treated in the new beds during that cost reporting period did not meet the requirements of § 412.23(b)(2).

(b) *Adjustment of payment.* The intermediary adjusts the payment to the hospitals described in paragraph (a) of this section as follows:

(1) The intermediary calculates the difference between the amounts actually paid during the cost reporting period for which the hospital, unit, or beds were first excluded as a new hospital, new unit, or newly added beds, and the amount that would have been paid under the prospective payment system for services furnished during that period.

(2) The intermediary makes a retroactive adjustment for the difference between the amount paid to the hospital based on the exclusion and the amount that would have been paid under the prospective payment system.

E. In subpart L, § 412.273, paragraph (a) is revised and paragraph (b) is amended by adding the heading to read as follows:

#### **Subpart L—The Medicare Geographic Classification Review Board**

##### **§ 412.273 Withdrawing an application.**

(a) *Timing of a withdrawal.* A hospital, or group of hospitals, may withdraw an application only during the following time periods:

(1) At any time before the MGCRB issues a decision; or

(2) After the MGCRB issues a decision, provided that the request for withdrawal is received by the MGCRB within 45 days of publication of HCFA's annual notice of proposed rulemaking concerning changes to the inpatient hospital prospective payment system and proposed payment rates for the fiscal year for which the application has been filed.

(b) *Written request only.*

...

II. Part 413 is amended as follows:

#### **PART 413—PRINCIPLES OF REASONABLE COST REIMBURSEMENT; PAYMENT FOR END-STAGE RENAL DISEASE SERVICES**

A. The authority citation for part 413 continues to read as follows:

**Authority:** Sec. 1102, 1814(b), 1815, 1833(a) and (i), 1861(v), 1871, 1881, and 1886 of the Social Security Act (42 U.S.C. 1302, 1395f(b), 1395g, 1395l(a) and (i), 1395x(v), 1395hh, 1395rr, and 1395ww) and sec. 104(c) of Pub. L. 100-360 as amended by sec. 608(d)(3) of Pub. L. 100-485 (42 U.S.C. 1305ww (note)) and sec. 101(c) of Pub. L. 101-234 (42 U.S.C. 1305ww (note)).

B. In subpart C, § 413.40, paragraphs (c)(1)(ii) and (d)(3)(ii) are revised; new paragraph (d)(3)(iii) is added; paragraphs (e) and (g) are revised; paragraph (h) is removed; paragraphs (i) and (j) are redesignated as paragraphs (h) and (i), respectively; newly redesignated introductory text (i)(1)(i), newly redesignated paragraphs (i)(1)(i)(B), (i)(1)(i)(C), and (i)(1)(ii) are revised to read as follows:

#### **Subpart C—Limits on Cost Reimbursement**

##### **§ 413.40 Ceiling on rate of hospital cost increases.**

...

(c) *Procedure for establishing the ceiling (target amount).*— (1) *Costs subject to the ceiling.* ...

(ii) For cost reporting periods beginning on or after October 1, 1982

and before October 1, 1983, these operating costs *include* operating costs of routine services (as described in § 413.53(b)), ancillary service operating costs, and special care unit operating costs. These operating costs exclude the costs of malpractice insurance, certain kidney acquisition costs, capital-related costs, the Medicare inpatient routine nursing salary cost differential, and costs a hospital allocates to approved medical education programs (nursing school or approved intern and resident programs) on its Medicare cost report.

(d) *Application of target amounts in determining reimbursement.* \* \* \*

(3) *Inpatient operating costs are greater than the target amount.*

(ii) For cost reporting periods beginning on or after October 1, 1984 and before October 1, 1991, payment will be based on the hospital's target amount per case.

(iii) For cost reporting periods beginning on or after October 1, 1991, payment will be based on the lower of the hospital's—

(A) Target amount plus 50 percent of the allowable operating costs per case in excess of the target amount; or

(B) 110 percent of the target amount per case.

(e) *Hospital requests regarding applicability of the rate-of-increase ceiling—(1) Timing of application.* A hospital may request an exemption from, or adjustment to, the rate of cost increase ceiling imposed under this section. The hospital's request must be made to its fiscal intermediary no later than 180 days after the date on the intermediary's notice of amount of program reimbursement.

(2) *Intermediary recommendation.* Unless HCFA has authorized the intermediary to make the decision, the intermediary makes a recommendation on the hospital's request to HCFA, which makes the decision. HCFA issues a decision to the intermediary no later than 180 days after receipt of the completed application and the intermediary's recommendation.

(3) *Intermediary decision.* If HCFA has authorized the intermediary to make the decision, the intermediary issues a decision no later than 180 days after receipt of the completed application.

(4) *Notification and review.* The intermediary notifies the hospital of the decision, including a full explanation of the grounds for the decision. A decision issued under paragraph (e)(2) or (e)(3) of this section is considered final unless the hospital submits additional information no later than 180 days after

the date on the intermediary's notice of the decision. The final decision is subject to review under subpart R of part 405 of this chapter, provided the hospital has received a notice of amount of program reimbursement for the cost reporting period in question.

(5) *Extending time limit for PRRB review of NPR.* The time required to review the request is considered good cause for the granting of an extension of the time limit to apply for review of the notice of amount of program reimbursement by the Provider Reimbursement Review Board, as specified in § 405.1841(b) of this chapter.

(6) *Applicability.* The provisions in paragraphs (e)(1) through (e)(5) of this section apply to a hospital's initial request for an adjustment and to a request for a reconsideration of the original decision based on additional data.

(g) *Adjustments—(1) General rule.* HCFA must adjust the amount of the operating costs considered in establishing the rate-of-increase ceiling for one or more cost reporting periods, including both periods subject to the ceiling and the hospital's base period, under the circumstances specified below. When an adjustment is requested by the hospital, HCFA makes an adjustment only to the extent that the hospital's operating costs are reasonable, attributable to the circumstances specified, separately identified by the hospital, and verified by the intermediary. HCFA may grant an adjustment requested by the hospital only if a hospital's operating costs exceed the rate-of-increase ceiling imposed under this section.

(2) *Extraordinary circumstances.* HCFA may make an adjustment to take into account unusual costs (in either a cost reporting period subject to the ceiling or the hospital's base period) due to extraordinary circumstances beyond the hospital's control. These circumstances include, but are not limited to, strikes, fire, earthquakes, floods, or similar unusual occurrences with substantial cost effects.

(3) *Comparability of cost reporting periods—(i) Adjustment for distortion.* HCFA may make an adjustment to take into account factors that would result in a significant distortion in the operating costs of inpatient hospital services between the base year and the cost reporting period subject to the limits.

(ii) *Factors.* The adjustments described in paragraph (g)(3)(i) of this section, include, but are not limited to, adjustments to take into account:

(A) FICA taxes (if the hospital did not incur costs for FICA taxes in its base period).

(B) Services billed under part B of Medicare during the base period, but paid under part A during the subject cost reporting period.

(C) Malpractice insurance costs (if malpractice costs were not included in the base year operating costs).

(D) Increases in service intensity or length of stay attributable to changes in the type of patient served.

(E) A change in the inpatient hospital services that a hospital provides, and that are customarily provided directly by similar hospitals, such as an addition or discontinuation of services or treatment programs.

(F) The manipulation of discharges to increase reimbursement.

(iii) *Adjusting operating costs.* Without a formal request from a hospital, HCFA may adjust the amount of operating costs, determined under paragraph (c)(1) of this section, to take into account adjustments under paragraphs (g)(3)(ii) (A), (B), (E), and (F) of this section.

(4) *Significant wage increase—(i) Criteria.* HCFA may make an adjustment to take into account a significant increase in wages occurring between the base period and the cost reporting period subject to the ceiling if the increase in the average hourly wage for the geographic area in which the hospital is located (determined by reference to the wage index for prospective payment hospitals without regard to geographic reclassifications under sections 1886(d) (8) and (10) of the Act) meets one of the following criteria:

(A) The wage index value based on 1988 wage data is at least 8.0 percent higher than the wage index value based on 1982 wage data.

(B) If the hospital's base period begins in FY 1984 or later, the wage index value based on 1988 wage data is at least 8.0 percent higher than the wage index value based on 1984 wage data.

(ii) *Amount of the adjustment.* The adjustment for a significant wage increase equals the amount by which the lesser of the following calculations exceeds 105 percent of the increase in the national average hourly earnings for hospital workers:

(A) The rate of increase in the average hourly wage in the geographic area (determined by applying the applicable increase in the area wage index value to the rate of increase in the national average hourly earnings for hospital workers).



(B) The rate of increase in the hospital's average hourly wage.

(i) *Assignment of a new base period*—  
(1) *General rule.* (i) Effective with cost reporting periods beginning on or after April 1, 1990, HCFA may assign a new base period to establish a revised ceiling if the new base period is more representative of the reasonable and necessary cost of furnishing inpatient services and all the following conditions apply:

(B) The hospital documents that the higher costs are the result of substantial and permanent changes in furnishing patient care services since the base period. In making this determination, HCFA takes into consideration the following factors:

(1) Changes in the services provided by the hospital.  
(2) Changes in applicable technologies and medical practices.

(3) Differences in the severity of illness among patients or types of patients served.

(C) The adjustments described in paragraph (g) of this section would not result in recognition of the reasonable and necessary costs of providing inpatient services.

(ii) The revised ceiling is based on the necessary and proper costs incurred during the new base period.

(A) Increases in overhead costs (for example, administrative and general costs and housekeeping costs) are not taken into consideration unless the hospital documents that these increases result from substantial and permanent changes in furnishing patient care services.

(B) In determining whether wage increases are necessary and proper, HCFA takes into consideration whether increases in wages and wage-related costs for hospitals in the labor market area exceed the national average increase.

C. In subpart F, § 413.86, the introductory text of paragraph (b) is republished and the definition *Approved medical residency program* is amended by republishing the introductory text and revising (2) to read as follows:

#### **Subpart F—Specific Categories of Costs**

§ 413.86 Direct graduate medical education payments.

(b) *Definitions.* For purposes of this section, the following definitions apply:

*Approved medical residency program* means a program that meets one of the following criteria:

(2) May count towards certification of the participant in a specialty or subspecialty listed in the current edition of either of the following publications:

(i) The Directory of Graduate Medical Education Programs published by the American Medical Association, and available from American Medical Association, Department of Directories and Publications, 515 North State Street, Chicago, Illinois 60610; or

(ii) The Annual Report and Reference Handbook published by the American Board of Medical Specialties, and available from American Board of Medical Specialties, One Rotary Center, suite 805, Evanston, Illinois 60201.

(Catalog of Federal Domestic Assistance Programs No. 93.733, Medicare—Hospital Insurance; No. 93.744, Medicare—Supplementary Medicare Insurance)

Dated: August 23, 1991.

Gail R. Wilensky,  
*Administrator, Health Care Financing Administration.*

Approved: August 23, 1991.

Louis W. Sullivan,  
*Secretary.*

**Editorial Note:** The following addendum and appendixes will not appear in the Code of Federal Regulations.

#### **Addendum—Schedule of Standardized Amounts Effective with Discharges On or After October 1, 1991 and Update Factors and Target Rate Percentages Effective With Cost Reporting Periods Beginning On or After October 1, 1991**

##### *I. Summary and Background*

In this addendum, we are making changes in the amounts and factors for determining prospective payment rates for Medicare inpatient hospital services. We are also setting forth new target rate percentages for determining the rate-of-increase limits (target amounts) for hospitals and hospital units excluded from the prospective payment system.

For discharges occurring on or after October 1, 1991, except for sole community hospitals, Medicare-dependent small rural hospitals, hospitals located in Puerto Rico, and hospitals subject to the regional floor, each hospital's payment per discharge under the prospective payment system will be comprised of 100 percent of the Federal national rate.

For cost reporting periods beginning on or after April 1, 1990, sole community hospitals and Medicare-dependent, small rural hospitals are paid based on

whichever of the following rates yields the greatest aggregate payment: The Federal national rate (subject to the regional floor), the updated hospital-specific rate based on FY 1982 cost per discharge, or the updated hospital-specific rate based on FY 1987 cost per discharge. Hospitals in Puerto Rico are paid on the basis of a rate per discharge composed of 75 percent of a Puerto Rico rate and 25 percent of a national rate (section 1886(d)(9)(A) of the Act). Hospitals affected by the regional floor are paid on the basis of 85 percent of the Federal national rate and 15 percent of the Federal regional rate (section 1886(d)(1)(A)(iii) of the Act).

As discussed below in section II, we are making changes in the determination of the prospective payment rates. The changes, to be applied prospectively, will affect the calculation of the Federal rates. Section III sets forth our changes for determining the rate-of-increase limits for hospitals excluded from the prospective payment system. The tables to which we refer in the preamble to the final rule are presented at the end of this addendum in section IV.

#### *II. Changes to Prospective Payment Rates For Hospitals for FY 1992*

The basic methodology for determining prospective payment rates is set forth at § 412.63 for hospitals located outside of Puerto Rico. The basic methodology for determining the prospective payment rates for hospitals located in Puerto Rico is set forth at §§ 412.210 and 412.212. Below we discuss the manner in which we are changing some of the factors used for determining the prospective payment rates. The Federal and Puerto Rico rate changes, once issued as final, will be effective with discharges occurring on or after October 1, 1991. As required by section 1886(d)(4)(C) of the Act, we must adjust the DRG classifications and relative weights for discharges in FY 1992.

In summary, the standardized amounts set forth in Tables 1a, 1b, and 1c of section IV of this addendum were—

- Updated by 2.8 percent for urban hospitals (that is, the market basket percentage increase of 4.4 percent minus 1.6 percent); and 3.8 percent for rural hospitals (that is, the market basket percentage increase of 4.4 percent minus 0.6 percent);

- Adjusted by the revised urban and rural outlier adjustment factors;

- Adjusted to ensure budget neutrality as provided for in section 1886(d)(8)(D) of the Act; and

• Adjusted to ensure budget neutrality as provided for in sections 1886(d)(4)(C)(iii) and (d)(3)(E) of the Act.

#### A. Calculation of Adjusted Standardized Amounts

1. *Standardization of Base-Year Costs or Target Amounts.* Section 1886(d)(2)(A) of the Act required the establishment of base-year cost data containing allowable operating costs per discharge of inpatient hospital services for each hospital. The preamble to the September 1, 1983 interim final rule (48 FR 39763) contains a detailed explanation of how base-year cost data were established in the initial development of standardized amounts for the prospective payment system and how they are used in computing the Federal rates.

Section 1886(d)(9)(B)(i) of the Act requires that Medicare target amounts be determined for each hospital located in Puerto Rico for its cost reporting period beginning in FY 1987. The September 1, 1987 final rule contains a detailed explanation of how the target amounts were determined and how they are used in computing the Puerto Rico rates (52 FR 33043, 33066).

The standardized amounts are based on per discharge averages of adjusted hospital costs from a base period or, for Puerto Rico, adjusted target amounts from a base period, updated and otherwise adjusted in accordance with the provisions of section 1886(d) of the Act. Sections 1886(d)(2)(C) and (d)(9)(B)(ii) of the Act required that the updated base-year per discharge costs and, for Puerto Rico, the updated target amounts, respectively, be standardized in order to remove from the cost data the effects of certain sources of variation in cost among hospitals. These include case mix, differences in area wage levels, cost of living adjustments for Alaska and Hawaii, indirect medical education costs, and payments to hospitals serving a disproportionate share of low-income patients.

Since the standardized amounts have already been adjusted for differences in case mix, wages, cost-of-living, indirect medical education costs, and payments to hospitals serving a disproportionate share of low-income patients, no additional adjustments for these factors for fiscal year 1992 were made. That is, the standardization adjustments reflected in the fiscal year 1992 standardized amounts are the same as those reflected in the fiscal year 1991 standardized amounts.

Sections 1886(d)(2)(H) and (d)(3)(E) of the Act require that, in making payments under the prospective

payment system, the Secretary adjust the proportion of payments that are wage-related (as estimated by the Secretary from time to time). Beginning with October 1, 1990, when the market basket was rebased, we have considered 71.40 percent of costs to be labor-related for purposes of the prospective payment system.

2. *Computing Urban and Rural Averages Within Geographic Areas.* In determining the prospective payment rates for fiscal year 1984, section 1886(d)(2)(D) of the Act required that the average standardized amounts be determined for hospitals located in urban and rural areas of the nine census divisions and the nation. Under section 1886(d)(9)(B)(iii) of the Act, the average standardized amount per discharge for fiscal year 1988 must be determined for hospitals located in urban and rural areas in Puerto Rico. Hospitals in Puerto Rico are paid a blend of 75 percent of the applicable Puerto Rico standardized amount and 25 percent of a national standardized payment amount.

Section 4002(c)(1) of the Omnibus Budget Reconciliation Act of 1987 (Pub. L. 100-203) amended section 1886(d)(3) of the Act to require the Secretary to compute three average standardized amounts for discharges occurring in a fiscal year beginning on or after October 1, 1987: One for hospitals located in rural areas; one for hospitals located in large urban areas; and one for hospitals located in other urban areas. Section 4002(b) of Public Law 100-203 amended section 1886(d)(2)(D) of the Act to define a "large urban area" as an urban area with a population of more than 1,000,000. In addition, section 4009(i) of Public Law 100-203 provides that a New England County Metropolitan Area (NECMA) with a population of more than 970,000 is classified as a large urban area. As required by section 1886(d)(2)(D) of the Act, population size is determined by the Secretary based on the latest population data published by the Bureau of the Census. Under that section, urban areas that do not meet the definition of a "large urban area" are referred to as "other urban areas."

Based on 1990 census population data published by the Bureau of the Census, the current 46 large urban areas continue to meet the criteria to be defined as large urban areas for fiscal year 1992. A list of those areas was set forth in the April 5, 1988 notice (at 53 FR 11138) concerning fiscal year 1988 legislative changes that affect payment to hospitals. In addition, these areas are identified by an asterisk in tables 4a and 4c. Effective with fiscal year 1992, the following additional large urban areas have been identified:

- Middlesex-Somerset-Hunterdon, NJ
- Orlando, FL
- Rochester, NY

Table 1a contains the three national standardized amounts that will continue to be applicable to most hospitals. Table 1b sets forth the 27 regional standardized amounts that will continue to be applicable for hospitals located in census areas subject to the regional floor. Under section 1886(d)(9)(A)(ii) of the Act, the national standardized payment amount applicable to hospitals in Puerto Rico consists of the discharge-weighted average of the national rural standardized amount, the national large urban standardized amount, and the national other urban standardized amount (as set forth in Table 1a). The national average standardized amount for Puerto Rico is set forth in Table 1c. This table also includes the three standardized amounts that will be applicable to most hospitals in Puerto Rico.

The methodology for computing the national average standardized amounts is identical to the methodology for determining the regional amounts.

Although we stated in the proposed rule that the Office of Management and Budget (OMB) may announce new Metropolitan Statistical Area (MSA) or New England County Metropolitan Area (NECMA) designations that are used in calculating standardized amounts, we note that OMB has made no such announcement. Therefore, the MSA and NECMA designations remain unchanged.

3. *Updating the Average Standardized Amounts.* In accordance with section 1886(d)(3)(A) of the Act, we will update the large urban, other urban, and rural average standardized amounts using the applicable percentage increases specified in section 1886(b)(3)(B)(i). Section 1886(b)(3)(B)(i)(VII) (as added by sections 4002(a) and (c) of Pub. L. 101-508) specifies the following update factors for the standardized amounts for fiscal year 1992:

- The market basket percentage increase of 4.4 minus 1.6 percentage points (that is, 2.8 percent) for hospitals located in urban areas.
- The market basket percentage increase of 4.4 minus 0.6 percentage points (that is, 3.8 percent) for hospitals located in rural areas.

The percentage change in the market basket reflects the average change in the price of goods and services purchased by hospitals to furnish inpatient care. The most recent forecasted hospital market basket increase for fiscal year

1992, as reflected in the calculation above, is 4.4 percent.

Although the update factor for fiscal year 1992 is set by law, we were required by section 1886(e)(3)(B) of the Act to report to Congress no later than March 1, 1991 on our initial recommendation of update factors for fiscal year 1992 for both prospective payment hospitals and hospitals excluded from the prospective payment system. For general information purposes, we published the report to Congress as appendix C to the proposed rule. Our final recommendation on the update factors (which is required by sections 1886(e)(4)(A) and (e)(5)(A) of the Act) is set forth as appendix B to this final rule.

*Comment:* Several commenters were concerned about the unexpectedly low market basket forecast. They indicated that the breakdown of the wages and salaries portion of the market basket does not effectively reflect changes in the salaries of hospital employees because only 30 percent of the price proxies used to measure this variable are directly related to wages and salaries within the hospital setting. One commenter suggested we adopt the price proxies used by ProPAC.

*Response:* At the time of the proposed rule, the market basket forecast, which was 3.8, was unusually low due to the severe downturn in the economy during the period. However, the market basket forecast has increased since the proposed rule was published, and the latest forecast for fiscal year 1992 is a market basket increase of 4.4 percent. Otherwise, HCFA proposed no changes to the market basket structure. The hospital market basket was rebased in fiscal year 1991, at which time we addressed the issue raised by the commenters. A complete discussion of the market basket construction and price proxies, and our responses to comments on these issues is included in the September 4, 1990 final rule (55 FR 36043).

**4. Other Adjustments to the Average Standardized Amounts—**a. *Reclassified Hospitals—Budget Neutrality Adjustment.* Section 1886(d)(8)(B) of the Act provides that certain rural hospitals are deemed urban effective with discharges occurring on or after October 1, 1988. In addition, section 1886(d)(10) of the Act provides for the reclassification of hospitals beginning in fiscal year 1992 based on determinations by the Medicare Geographic Classification Review Board (MGRB). Under section 1886(d)(10) of the Act, a hospital may be reclassified for purposes of the standardized amount or the wage index, or both.

Section 1886(d)(8)(D) of the Act specifies two budget neutrality objectives that must be met. First, the fiscal year 1992 urban standardized amounts are to be adjusted so as to ensure that total aggregate payments under the prospective payment system after implementation of the provisions of sections 1886(d)(8)(B) and (C) and 1886(d)(10) of the Act are equal to the aggregate prospective payments that would have been made absent these provisions. Second, the rural standardized amounts are to be adjusted to ensure that aggregate payments to rural hospitals not affected by these provisions neither increase nor decrease as a result of implementation of these provisions. The following adjustment factors, necessary to achieve the requisite budget neutrality constraints, were applied to the proposed standardized amounts:

Urban	Rural
.988778	.999765

The following adjustment factors were applied to the final standardized amounts:

Urban	Rural
.989149	.999766

The proposed adjustments factors reflected the results of all wage index and standardized amount reclassifications approved by the MGRB as of March 31, 1991. Approximately 500 cases were still pending before the MGRB as of that date. The final budget neutrality adjustment factors reflect the effects of all reclassification decisions by the MGRB for fiscal year 1992, as well as any changes in these reclassification decisions based on the Administrator's review of the decisions.

*Comment:* Several commenters noted that their analyses indicated that the budget neutrality adjustment for the urban standardized amount appeared to be overstated in the proposed rule and they questioned whether it had been computed properly.

*Response:* In determining the budget neutrality adjustment in the proposed rule, a technical error was made that has been corrected in this final rule. If the error had not been made in computing the proposed budget neutrality factor, the factor would have been about .994 rather than .988778 in the proposal.

We have carefully reviewed our methodology for calculating the adjustment in the final rule, and we are confident that it is technically correct.

*Comment:* A number of commenters stated that the update to the standardized amounts for urban hospitals was unreasonable compared to that for rural hospitals, which receive a higher update as well as benefitting from the geographic reclassifications. In contrast, urban hospitals not only receive a lower general update, but also have their standardized amounts reduced through the budget neutrality adjustment required by section 1886(d)(8)(D) of the Act that funds the geographic reclassifications. One commenter suggested that the differential between the urban and rural updates should be capped at 50 percent and that the number of reclassifications be restricted to limit the amount of the offset against the urban rates needed to fund the reclassifications.

*Response:* The amount of the update to the standardized amounts for fiscal year 1992 applicable to urban and rural hospitals is mandated under section 1886(b)(3)(B)(i) (as amended by Pub. L. 101-508). Thus, we do not have the authority to modify the amount of the update for urban hospitals. Similarly, we do not have the authority to limit the number of geographic reclassifications for the purpose of reducing the budget neutrality adjustment necessary to fund the reclassifications. The reclassifications granted by the MGRB are based on guidelines adopted by regulation. When the reclassification guidelines were published in the *Federal Register* for public comment in our September 6, 1990 final rule with comment period (55 FR 36754), the only comments we received indicated that the guidelines were too stringent and would not allow all hospitals that merited geographic reclassification to qualify. None of the commenters stated that the guidelines might be too lenient. However, in light of the comments we have received in response to the June 3, 1991 proposed rule, we will reevaluate the MGRB guidelines and propose any changes that appear appropriate in a separate rulemaking document. The changes would apply to requests for reclassification that would be effective in fiscal year 1994. Finally, we note that 201 urban hospitals have benefitted from the reclassification guidelines.

*Comment:* We received a number of comments suggesting that we cushion the financial impact of geographic reclassifications on urban hospitals through a blend of 50 percent of payments based on the reclassification

and 50 percent of payments based on what hospitals would have received in the absence of the reclassifications. One hospital association indicated that it would seek legislation to have this change adopted.

*Response:* While we share the commenters concern about the adverse impact geographic reclassifications will have on payments to urban hospitals, we do not believe we have authority to reduce payments to hospitals that have been reclassified. The statute clearly contemplates that geographic reclassifications granted by the MGCRB would be funded through a reduction in the urban standardized amounts. An administrative reduction in payments to reclassified hospitals would undermine this provision. We agree with the commenter that legislative action would be required to implement this change.

b. *Recalibration of DRG Weights and Updated Wage Index-Budget Neutrality Adjustment.* Section 1886(d)(4)(C)(iii) of the Act specifies that beginning in fiscal year 1991, the annual DRG reclassifications and recalibration of the relative weights must be made in a manner that ensures that aggregate payments to hospitals are not affected. As discussed in section III.C of the preamble to this final rule, we normalized the recalibrated DRG weights by an adjustment factor so that the average case weight after recalibration is equal to the average case weight prior to recalibration. While this adjustment is intended to ensure that recalibration does not affect total payments to hospitals, our analysis indicates that the normalization adjustment does not necessarily achieve budget neutrality with respect to aggregate payments to hospitals.

Section 1886(d)(3)(E) of the Act specifies that the hospital wage index must be updated based on new survey data no later than October 1, 1990 and on an annual basis beginning October 1, 1993. This provision also requires that any updates or adjustments to the wage index must be made in a manner that ensures that aggregate payments to hospitals are not affected by the change in the wage index.

To comply with the requirement of section 1886(d)(4)(C)(iii) of the Act that the DRG reclassification changes and recalibration of the relative weights be budget neutral and the requirement in section 1886(d)(E) of the Act that the updated wage index be implemented in a budget neutral manner, we compared aggregate payments using the FY 1991 relative weights and the wage index effective January 1, 1991 to aggregate payments using the proposed FY 1992 relative weights and wage index. This

was the same methodology used for the FY 1991 recalibration. (See discussion in September 4, 1990 final rule (55 FR 36073).) Based on this comparison, we computed a proposed budget neutrality adjustment factor equal to 1.000018. We applied this budget neutrality adjustment factor to the standardized amounts.

The budget neutrality adjustment factor that was applied to the final standardized amounts is .999757.

In addition, we are continuing to apply the same adjustment factor to the hospital-specific rates that are effective for cost reporting periods beginning on or after October 1, 1991, in order to ensure that we meet the statutory requirement that aggregate payments neither increase nor decrease as a result of the implementation of the DRG weights and updated wage index. (See discussion in September 4, 1990 final rule (55 FR 36073).)

c. *Retroactive Budget Neutrality Adjustment to Reflect FY 1991 Midyear-Wage Index Corrections.* In the September 4, 1990 final rule (55 FR 36042), we set forth under § 412.63(1) our policy for making midyear corrections in the wage index and applying those corrections on a prospective basis effective with discharges occurring after the date the corrections are made. As described in that rule, when midyear corrections are made under the provisions of § 412.63(1), the correction in the wage index value for the affected area is effective prospectively from the date the revision is made; however, both the corresponding prospective adjustment to the wage index values for all other wage areas (to reflect the effect of the corrected data on the national average hourly wage), and the budget neutrality adjustment to the standardized amounts required by section 1886(d)(3)(E) (to account for the effect on payments of the midyear corrections), are not made until the beginning of the next fiscal year.

To account for the effect that midyear corrections in the wage index for FY 1991 had on program payments for that year, we computed a retroactive budget neutrality adjustment factor of .999676 in the proposed rule. This adjustment was computed by comparing FY 1991 aggregate payments before the wage data corrections were made with aggregate payments after the revised wage index values were implemented. Based on the additional revised wage values that have been implemented since the proposed rule was issued, the final budget neutral adjustment factor is .999570. This adjustment has been applied to the FY 1992 standardized amounts.

d. *Outliers.* Section 1886(d)(5)(A) of the Act requires that, in addition to the basic prospective payment rates, payments must be made for discharges involving day outliers and may be made for cost outliers. Section 1886(d)(3)(B) of the Act requires that the urban and rural standardized amounts be separately reduced by the proportion of estimated total DRG payments attributable to estimated outlier payments for hospitals located in urban areas and those located in rural areas. Section 1886(d)(9)(B)(iv) of the Act requires that the urban and rural standardized amounts be reduced by the proportion of estimated total payments made to hospitals in Puerto Rico attributable to estimated outlier payments.

Consequently, instead of a uniform reduction factor applying equally to all the standardized amounts, there are two separate reduction factors, one applicable to the urban national and regional standardized amounts and the other applicable to the rural national and regional standardized amounts. Furthermore, sections 1886(d)(5)(A)(iv) and 1886(d)(9)(D)(i) of the Act direct that outlier payments for operating costs in any year may not be less than 5 percent nor more than 6 percent of total payments projected to be made based on the prospective payment rates for operating costs.

In the September 4, 1990 final rule, we set the outlier thresholds so as to result in estimated outlier payments equal to 5.1 percent of total prospective payments. We also set the same outlier thresholds and offsets for the Puerto Rico prospective payment standardized amounts as we had for hospitals located outside Puerto Rico. For FY 1991, the day outlier threshold is the geometric mean length of stay for each DRG plus the lesser of 29 days or 3.0 standard deviations. The cost outlier threshold is the greater of 2.0 times the prospective payment rate for the DRG or \$35,000. In implementing the changes required by Public Law 101-508 in the January 7, 1991 final rule with comment period, we determined that maintaining the FY 1991 thresholds would result in estimated outlier payments equal to 5.2 percent of total prospective payments. Accordingly, we revised the adjustment factors to reflect the higher outlier payments. The outlier adjustments for FY 1991 that were effective for discharges on or after January 1, 1991 were .944078 for the urban rates and .977448 for the rural rates.

As discussed in section IV.C of this document, we proposed to establish outlier thresholds that would be applicable to both operating costs and

capital-related costs. The proposed outlier adjustment factors applied to the standardized amounts and the capital Federal rate for FY 1992 were as follows:

Urban standardized amount	Rural standardized amount	Capital federal rate
.944309	.979808	.954854

The final outlier adjustment factors applied to the standardized amounts and the capital Federal rate for FY 1992 are as follows:

Urban standardized amount	Rural standardized amount	Capital federal rate
.944047	.979202	.949722

We proposed to continue to set the outlier thresholds so as to result in estimated outlier payments equal to 5.1 percent of total prospective payments for operating costs. The model that we use to determine the outlier thresholds necessary to target our desired outlier payments for FY 1992 uses FY 1990 charges. We proposed to adjust that model to take into account the effect of expanded Medicare coverage for inpatient hospital services during the first quarter of FY 1990 that resulted from the enactment of the Catastrophic Coverage Act of 1988 (Pub. L. 100-360). These catastrophic coverage provisions were effective with discharges occurring on or after January 1, 1989 (the second quarter of FY 1989) and were repealed by the Medicare Catastrophic Coverage Repeal Act of 1989 (Pub. L. 101-234) effective for discharges occurring on or after January 1, 1990.

We determine the outlier thresholds and establish the outlier adjustment factor based on the covered days and charges reflected in the billing data. The FY 1990 billing data that we used to determine the FY 1992 outlier payments contain 3 months of data for discharges occurring while the catastrophic legislation was in effect [data from discharges occurring on or after October 1, 1989 and before December 31, 1989] and 9 months of data for discharges occurring after the catastrophic legislation was repealed [data from discharges occurring on or after January 1, 1990 and before October 1, 1990]. For discharges occurring on or after October 1, 1989 through December 31, 1989, we are not able to identify the additional days (and charges) covered under the catastrophic legislation that are no longer covered after its repeal. If we include the additional inpatient days

attributable to catastrophic coverage in the model used to estimate outlier payments, we will overestimate the FY 1992 outlier payments. Since we are not able to isolate the catastrophic-covered days and charges from other covered days and charges, we have developed an adjustment to the outlier model to account for the catastrophic-covered days reflected in the billing data. The adjustment is based on a comparative analysis of outlier payments modeled on covered days and charges and on total days and charges using post-catastrophic billing data and billing data for the period the catastrophic legislation was in effect.

We proposed to adjust the model used to develop the outlier thresholds by calculating an adjustment to the 5.1 percent outlier payment target solely for purposes of estimating the thresholds. By adjusting the payment target, we eliminate the impact that the changes in coverage that occurred in FY 1990 would have had on the computation of the outlier thresholds. To accomplish this, we calculated, for each quarter in FY 1990, the ratio of outlier payments based on covered days and covered charges to payments based on total days and total charges. We arrived at the adjustment by comparing the ratio for the first quarter (in which catastrophic days and charges occurred) to the succeeding quarters (in which postcatastrophic days and charges occurred). The result was a proposed adjustment factor of .9966. Based on more complete FY 1990 MEDPAR data, the final adjustment factor is .9995. Based on this analysis, we estimate that outlier payments will be 99.95 percent of the amounts estimated based on FY 1990 covered days and charges. To account for this, we multiplied the outlier payments estimated by the model by .9995 before determining the outlier adjustment factors that are applied to the standardized amounts and the capital Federal rate.

#### B. Adjustments for Area Wage Levels and Cost-of-Living

This section contains an explanation of the application of two types of adjustments to the adjusted standardized amounts that will be made by the intermediaries in determining the prospective payment rates as described in section II.D of this addendum. For discussion purposes, it is necessary to present the adjusted standardized amounts divided into labor and nonlabor portions. Tables 1a, 1b, and 1c, as set forth in this addendum, contain the actual labor-related and nonlabor-related shares that will be used to calculate the prospective payment rates

for hospitals located in the 50 States, the District of Columbia, and Puerto Rico.

**1. Adjustment for Area Wage Levels.** Sections 1886(d)(2)(H) and 1886(d)(9)(C)(iv) of the Act require that an adjustment be made to the labor-related portion of the prospective payment rates to account for area differences in hospital wage levels. This adjustment is made by the intermediaries by multiplying the labor-related portion of the adjusted standardized amounts by the appropriate wage index for the area in which the hospital is located. In section IV of the preamble to this final rule, we discuss certain revisions we are making to the wage index. This index is set forth in tables 4a through 4c of this addendum.

**2. Adjustment for Cost of Living in Alaska and Hawaii.** Section 1886(d)(5)(H) of the Act authorizes an adjustment to take into account the unique circumstances of hospitals in Alaska and Hawaii. Higher labor-related costs for these two States are taken into account in the adjustment for area wages above. For FY 1992, the adjustment necessary for nonlabor-related costs for hospitals in Alaska and Hawaii will be made by the intermediaries by multiplying the nonlabor portion of the standardized amounts by the appropriate adjustment factor contained in the table below.

#### Table of Cost-of-Living Adjustment Factors, Alaska and Hawaii Hospitals

Alaska—All areas.....	1.25
Hawaii:	
Oahu.....	1.225
Kauai.....	1.175
Maui.....	1.20
Molokai.....	1.20
Lanai.....	1.20
Hawaii.....	1.15

(The above factors are based on data obtained from the U.S. Office of Personnel Management.)

#### C. DRG Relative Weights

As discussed in section III of the preamble to this final rule, we have developed a classification system for all hospital discharges, assigning them into DRGs, and have developed relative weights for each DRG that are intended to reflect the resource utilization of cases in each DRG relative to Medicare cases or other DRGs.

Table 5 of section IV of this addendum contains the weighting factors that we will use for discharges occurring in FY 1992. These factors have been recalibrated as explained in section III.C of the preamble.

## D. Calculation of Prospective Payment Rates for FY 1992

## General Formula for Calculation of Prospective Payment Rates for FY 1992:

Prospective payment rate for all hospitals located outside Puerto Rico except sole community hospitals and Medicare-dependent, small rural hospitals.	=	Federal rate.
Prospective payment rate for sole community hospitals and Medicare-hospitals and Medicare-dependent, small rural hospitals (for cost reporting periods beginning on or after April 1, 1990).	=	Whichever of the rates yields the greatest aggregate payment: 100 percent of the Federal rate, 100 percent of the FY 1982 hospital-specific rate, or 100 percent of the FY 1987 hospital-specific rate.
Prospective payment rate for Puerto Rico.....	=	75 percent of the Puerto Rico rate + 25 percent of a discharge-weighted average of the large urban, other urban, and rural national rates.

**1. Federal Rate.** For discharges occurring on or after October 1, 1991 and before October 1, 1992, except for sole community hospitals, Medicare-dependent, small rural hospitals, hospitals located in Puerto Rico, and hospitals subject to the regional floor, the hospital's rate is comprised exclusively of the Federal national rate. Section 1886(d)(1)(A)(iii) of the Act provides that the Federal rate is comprised of 100 percent of the Federal national rate except for those hospitals located in census regions that have a regional rate that is higher than the national rate. This provision, which was due to expire effective with discharges occurring on or after October 1, 1990, was extended by section 115(b)(1) of Public Law 101-403 and section 4002(e) of Public Law 101-508 to discharges occurring before October 1, 1993. The Federal rate for hospitals located in census regions that have a regional rate that is higher than the national rate equals 85 percent of the Federal national rate plus 15 percent of the Federal regional rate. For discharges occurring on or after October 1, 1991, rural hospitals in regions I, II, III, and IV and urban and large urban hospitals in I, IV, and VI are affected by the regional floor.

The Federal rates are determined as follows:

**Step 1**—Select the appropriate regional or national adjusted standardized amount considering the type of hospital and designation of the hospital as large urban, other urban, or rural (see Tables 1a and 1b, section IV of this addendum).

**Step 2**—Multiply the labor-related portion of the standardized amount by the applicable wage index for the geographic area in which the hospital is located (see Tables 4a, 4b, and 4c, section IV of this addendum).

**Step 3**—For hospitals in Alaska and Hawaii, multiply the nonlabor-related portion of the standardized amount by the appropriate cost-of-living adjustment factor.

**Step 4**—Add the amount from Step 2 and the nonlabor-related portion of the standardized amount (adjusted if appropriate under Step 3).

**Step 5**—Multiply the final amount from Step 4 by the weighting factor corresponding to the appropriate DRG (see Table 5, section IV of this addendum).

**2. Hospital-Specific Rate (Applicable Only to Sole Community Hospitals and Medicare-Dependent, Small Rural Hospitals).** Section 1886(d)(5)(D)(i) of the Act provides that for cost reporting periods beginning on or after April 1, 1990, sole community hospitals are paid based on whichever of the following rates yields the greatest aggregate payment: The Federal rate (subject to the regional floor), the updated hospital-specific rate based on FY 1982 cost per discharge, or the updated hospital-specific rate based on FY 1987 cost per discharge. Under section 1886(d)(5)(G) of the Act, Medicare-dependent small rural hospitals are eligible for special payment under the prospective payment system and, effective for cost reporting periods beginning on or after April 1, 1990 and ending before April 1, 1993, are paid based on the same formula applicable to sole community hospitals.

Hospital-specific rates have been determined for each of these hospitals based on both the FY 1982 cost per discharge and the FY 1987 cost per discharge. For a more detailed discussion of the calculation of the FY 1982 hospital-specific rate and the FY 1987 hospital-specific rate, we refer the reader to the September 1, 1983 interim final rule (48 FR 39772); the April 20, 1990 final rule with comment (55 FR 15150); and the September 4, 1990 final rule (55 FR 35994).

**a. Updating the FY 1982 and FY 1987 Hospital-Specific Rates for FY 1992 Cost Reporting Periods.** For cost reporting periods beginning on or after October 1, 1991, we are increasing the hospital-specific rates by 4.4 percent (the hospital market basket percentage increase) for hospitals located in all areas. Sections 1886(b)(3)(C)(ii) and (b)(3)(D)(ii) of the Act (as amended by section 4002(c)(2)(A)(ii) of Public Law 101-508) provide that the update factor applicable to the hospital-specific rates for sole community and Medicare-dependent, small rural hospitals equals

the update factor provided under section 1886(b)(3)(B)(ii) of the Act, which, for cost reporting periods beginning in FY 1992, is the market basket rate of increase.

**b. Calculation of Hospital-Specific Rate.** For sole community hospital and Medicare-dependent, small rural hospital cost reporting periods beginning on or after October 1, 1991 and before October 1, 1992, the applicable hospital-specific rate will be calculated by multiplying a hospital's hospital-specific rate for the preceding cost reporting period by the applicable update factor (that is, 4.4 percent). In addition, the hospital-specific rate will be adjusted by the budget neutrality adjustment factor (that is, .999757) as discussed in section II.A.4.b of this addendum. This resulting rate will be used in determining under which rate a sole community or Medicare-dependent, small rural hospital is paid for its cost reporting period beginning on or after October 1, 1991, based on the formula set forth above.

**3. General Formula for Calculation of Prospective Payment Rates for Hospitals Located in Puerto Rico Beginning On or After October 1, 1991 and Before October 1, 1992—****a. Puerto Rico Rate.** The Puerto Rico prospective payment rate is determined as follows:

**Step 1**—Select the appropriate adjusted average standardized amount considering the large urban, other urban, or rural designation of the hospital (see Table 1c, section IV of the addendum).

**Step 2**—Multiply the labor-related portion of the standardized amount by the appropriate wage index (see Tables 4a and 4b, section IV of the addendum).

**Step 3**—Add the amount from Step 2 and the nonlabor-related portion of the standardized amount.

**Step 4**—Multiply the result in Step 3 by 75 percent.

**Step 5**—Multiply the amount from Step 3 by the weighting factor corresponding to the appropriate DRG weight (see Table 5, section IV of the addendum).

**b. National Rate.** The national prospective payment rate is determined as follows:



**Step 1**—Multiply the labor-related portion of the national average standardized amount (see Table 1c, section IV of the addendum) by the appropriate wage index.

**Step 2**—Add the amount from Step 1 and the nonlabor-related portion of the national average standardized amount.

**Step 3**—Multiply the result in Step 2 by 25 percent.

**Step 4**—Multiply the amount from Step 3 by the weighting factor corresponding to the appropriate DRG weight (see Table 5, section IV of the addendum).

The sum of the Puerto Rico rate and the national rate computed above equals the prospective payment for a given discharge for a hospital located in Puerto Rico.

### III. Target Rate Percentages for Hospitals and Hospital Units Excluded From the Prospective Payment System

The inpatient operating costs of hospitals and hospital units excluded from the prospective payment system are subject to rate-of-increase limits established under the authority of section 1886(b) of the Act, which is implemented in § 413.40 of the regulations. Under these limits, an annual target amount (expressed in terms of the inpatient operating cost per discharge) is set for each hospital, based on the hospital's own historical cost experience, trended forward by the applicable update factors. This target amount is applied as a ceiling on the allowable costs per discharge for the hospital's next cost reporting period.

As discussed in section IV.F of the preamble, effective with cost reporting periods beginning on or after October 1, 1991, a hospital that has inpatient operating costs per discharge in excess

of its target amount will be paid its target amount plus 50 percent of its costs in excess of the target amount. Total payments may not exceed 110 percent of the target amount. However, a hospital that has inpatient operating costs less than its target amount will be paid its costs plus the lower of—

- (1) 50 percent of the difference between the inpatient operating cost per discharge and the target amount; or
- (2) 5 percent of the target amount.

Each hospital's target amount is adjusted annually, before the beginning of its cost reporting period, by an applicable target rate percentage. For cost reporting periods beginning on or after October 1, 1991 and before October 1, 1992, section 1886(b)(3)(B)(ii) of the Act provides that the applicable percentage increase is the market basket percentage increase. In order to determine a hospital's target amount for its cost reporting period beginning in FY 1992, the hospital's target amount for its reporting period that began in FY 1991 is increased by the market basket percentage increase for FY 1992. The most recent forecasted market basket increase for FY 1992 for hospitals and units excluded from the prospective payment system is 4.7 percent. Therefore, the applicable percentage increase is also 4.7 percent.

### IV. Tables

This section contains the tables referred to throughout the preamble to this final rule and in this addendum. For purposes of this final rule, and to avoid confusion, we have retained the designations of tables 1a, 1b, 1c, 3c, 4a, 4b, and 5 that were first used in the September 1, 1983 initial prospective payment final rule (48 FR 39844). Tables 1a, 1b, 1c, 3C, 4a, 4b, 4c, 5, 6a, 6b, 6c, 6d,

6e, 6f, 6g, 6h, 6i, 7A, 7B, 8a, 8b, and 9 are presented below. The tables presented below are as follows:

Table 1a—National Adjusted Standardized Amounts, Labor/Nonlabor.

Table 1b—Regional Adjusted Standardized Amounts, Labor/Nonlabor.

Table 1c—Adjusted Standardized Amounts for Puerto Rico, Labor/Nonlabor.

Table 3C—Hospital Case Mix Indexes for Discharges Occurring in Federal Fiscal Year 1990.

Table 4a—Wage Index for Urban Areas.

Table 4b—Wage Index for Rural Areas.

Table 4c—Wage Index for Hospitals That Are Reclassified.

Table 5—List of Diagnosis Related Groups (DRGs), Relative Weighting Factors, Geometric Mean Length of Stay, and Length of Stay Outlier Cutoff Points Used in the Prospective Payment System.

Table 6a—New Diagnosis Codes.

Table 6b—New Procedure Codes.

Table 6c—Invalid Diagnosis Codes.

Table 6d—Invalid Procedure Codes.

Table 6e—Revised Diagnosis Code Titles.

Table 6f—Revised Procedure Code Titles.

Table 6g—Additions to the CC Exclusions List.

Table 6h—Deletions to the CC Exclusions List.

Table 6i—New HIV-Related Conditions Necessary for Assignment to MDC 25.

Table 7A—Medicare Prospective Payment System Selected Percentile Lengths of Stay FY 90 MEDPAR Update 06/91 GROUPE V8.0.

Table 7B—Medicare Prospective Payment System Selected Percentile Lengths of Stay FY 90 MEDPAR Update 06/91 GROUPE V9.0.

Table 8a—Statewide Average Operating Cost-to-Charge Ratios for Urban and Rural Hospitals (Case Weighted).

Table 8b—Statewide Average Capital Cost-to-Charge Ratios for Urban and Rural Hospitals (Case Weighted).

Table 9—Percentage Difference in Wage Indexes for Areas that Qualify for a Wage Index Exception for Excluded Hospitals and Units.

TABLE 1a.—NATIONAL ADJUSTED STANDARDIZED AMOUNTS, LABOR/NONLABOR

Large urban		Other urban		Rural	
Labor-related	Nonlabor-related	Labor-related	Nonlabor-related	Labor-related	Nonlabor-related
2,526.80	1,041.01	2,486.80	1,024.54	2,534.26	816.50

TABLE 1b.—REGIONAL ADJUSTED STANDARDIZED AMOUNTS, LABOR/NONLABOR

	Large urban		Other urban		Rural	
	Labor-related	Nonlabor-related	Labor-related	Nonlabor-related	Labor-related	Nonlabor-related
1. New England (CT, ME, MA, NH, RI, VT).....	2,653.55	1,087.04	2,611.53	1,069.82	2,809.71	969.01
2. Middle Atlantic (PA, NJ, NY).....	2,383.96	1,029.84	2,346.23	1,013.54	2,690.86	916.04
3. South Atlantic (DE, DC, FL, GA, MD, NC, SC, VA, WV).....	2,544.81	950.43	2,504.52	935.39	2,572.34	794.33
4. East North Central (IL, IN, MI, OH, WI).....	2,684.15	1,124.51	2,641.65	1,106.71	2,604.84	882.84
5. East South Central (AL, KY, MS, TN).....	2,442.31	860.59	2,403.64	846.98	2,549.45	740.73
6. West North Central (IA, KS, MN, MO, NB, ND, SD).....	2,545.53	1,024.63	2,505.23	1,008.40	2,477.88	791.36
7. West South Central (AR, LA, OK, TX).....	2,530.88	943.99	2,490.81	929.05	2,376.39	727.78
8. Mountain (AZ, CO, ID, MT, NV, NM, UT, WY).....	2,441.40	1,011.14	2,402.75	995.13	2,403.17	837.03

TABLE 1b.—REGIONAL ADJUSTED STANDARDIZED AMOUNTS, LABOR/NONLABOR—Continued

	Large urban		Other urban		Rural	
	Labor-related	Nonlabor-related	Labor-related	Nonlabor-related	Labor-related	Nonlabor-related
9. Pacific (AK, CA, HI, OR, WA).....	2,374.81	1,155.02	2,337.21	1,136.73	2,337.28	942.97

TABLE 1c.—ADJUSTED STANDARDIZED AMOUNTS FOR PUERTO RICO, LABOR/NONLABOR

	Large urban		Other urban		Rural	
	Labor-related	Nonlabor-related	Labor-related	Nonlabor-related	Labor-related	Nonlabor-related
Puerto Rico.....	2,272.59	472.64	2,236.61	465.16	1,727.42	372.39
National.....	2,514.14	978.22				

BILLING CODE 4120-03-M

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 1 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
010001	01.2935	010062	01.0023	010128	00.8732	030010	01.3717	030083	01.3701
010004	00.9749	010064	01.5068	010129	01.0306	030011	01.2948	030084	01.0513
010005	01.1605	010065	01.2011	010130	01.0276	030012	01.1948	030085	01.2994
010006	01.3040	010066	00.9162	010131	01.2555	030013	01.1935	030086	01.2678
010007	01.1369	010068	01.1751	010134	00.8776	030014	01.4259	030087	01.4298
010008	01.0568	010069	01.1279	010136	00.9732	030016	01.1748	030088	01.2790
010009	01.0549	010072	01.1804	010137	01.3160	030017	01.3567	030089	01.2199
010010	01.0976	010073	00.9596	010138	00.9784	030018	01.5545	030091	00.8823
010011	01.3788	010078	01.1912	010139	01.4298	030019	01.2075	030092	01.3930
010012	01.2734	010079	01.1768	010143	01.1526	030022	01.3051	030093	01.2841
010015	01.1389	010080	00.9804	010144	01.3690	030023	01.2050	030094	01.3103
010016	01.1430	010081	01.7266	010145	01.2421	030024	01.5210	030098	00.6389
010018	00.8944	010083	01.1236	010146	01.1338	030025	01.1563	030099	01.2260
010019	01.1920	010084	01.2971	010148	00.9381	030027	01.0501	040001	01.0129
010020	01.0938	010085	01.3102	010149	01.3678	030030	01.6132	040002	01.1699
010021	01.3043	010086	00.9883	010150	00.9698	030033	01.4063	040003	01.0175
010022	01.0016	010087	01.3386	010152	01.2642	030034	01.1406	040004	01.2756
010023	01.2947	010089	01.0366	010153	01.9047	030035	01.1845	040005	01.0349
010024	01.2387	010090	01.4847	010155	01.0301	030036	01.2900	040006	01.7706
010025	01.2264	010091	01.0044	010158	00.5329	030037	01.7239	040007	01.4826
010027	00.9056	010092	01.3111	020001	01.5033	030038	01.4499	040008	01.0749
010028	01.1262	010094	01.2481	020002	01.0827	030040	01.0017	040010	01.1228
010029	01.4336	010095	01.1082	020004	01.1676	030041	00.8996	040011	00.9919
010031	01.2461	010096	00.9348	020005	00.9646	030043	01.1312	040013	01.0092
010032	00.8599	010097	01.0532	020006	01.0167	030044	01.0982	040014	01.1202
010033	01.8597	010098	01.0522	020007	01.2222	030046	01.0077	040015	01.0309
010034	01.0668	010099	01.0341	020008	00.9314	030047	00.9379	040016	01.3783
010035	01.1593	010100	01.2322	020009	00.8278	030049	00.9426	040017	01.2420
010036	01.1448	010101	01.0180	020010	00.9078	030051	01.1159	040018	01.1189
010038	01.1991	010102	00.9200	020011	00.8563	030054	00.8888	040019	01.1837
010039	01.5641	010103	01.4694	020012	01.2750	030055	01.2092	040020	01.4371
010040	01.2264	010104	01.5315	020013	00.8902	030057	01.1831	040021	01.2209
010043	00.9929	010108	01.1182	020014	01.0487	030059	01.3527	040022	01.6199
010044	01.0176	010109	01.1121	020017	01.3687	030060	01.0770	040024	00.9549
010045	01.0610	010110	00.9080	020018	00.9205	030061	01.4047	040025	01.0371
010046	01.2724	010112	01.1392	020019	00.9478	030062	01.2824	040026	01.3489
010047	00.8856	010113	01.5206	020020	00.8835	030064	01.4504	040027	01.2489
010049	01.1428	010114	01.2068	020021	00.8732	030065	01.4348	040028	00.9845
010050	00.9415	010115	00.9153	020024	01.0086	030067	01.0530	040029	01.1018
010051	00.9934	010117	01.0275	020025	00.7485	030068	01.0042	040030	00.9110
010052	01.0149	010118	01.1902	020026	01.2853	030069	01.2308	040031	00.9077
010053	01.0150	010119	01.3135	020027	00.9846	030071	01.0145	040032	00.9648
010054	01.1426	010120	00.9459	030001	01.3487	030072	00.8905	040033	00.9133
010055	01.3306	010121	01.0879	030002	01.6734	030073	01.1298	040035	00.9168
010056	01.3080	010122	00.9526	030003	01.3552	030074	01.1864	040036	01.1904
010057	01.0598	010123	01.2208	030004	00.9592	030075	00.9029	040037	01.0403
010058	01.0024	010124	01.2468	030006	01.4600	030076	00.9900	040039	01.0738
010059	01.0189	010125	01.0159	030007	01.3264	030078	01.0035	040040	01.0040
010060	00.9684	010126	01.0661	030008	01.7527	030079	00.7516	040041	01.1532
010061	00.9892	010127	01.5004	030009	01.2047	030080	01.4734	040042	01.2628

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.

: CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 2 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
040044	00.9342	050002	01.3046	050070	01.2019	050131	01.3352	050199	01.3363
040045	00.9629	050006	01.2954	050071	01.2596	050132	01.3164	050201	01.1547
040047	01.0080	050007	01.4633	050072	01.2180	050133	01.1414	050204	01.3552
040048	01.1592	050008	01.4509	050073	01.1421	050135	01.3204	050205	01.2257
040050	01.0281	050009	01.6241	050074	00.9998	050136	01.3238	050207	01.1481
040051	00.9166	050013	01.9775	050075	01.1987	050137	01.2231	050208	01.1975
040053	01.0844	050014	01.1173	050076	01.4699	050138	01.5757	050211	01.2599
040054	00.9583	050015	01.4256	050077	01.6055	050139	01.1443	050212	01.1378
040055	01.2861	050016	01.1100	050078	01.2025	050140	01.2184	050213	01.3164
040058	00.9123	050017	01.8850	050079	01.4245	050143	01.3907	050214	01.5609
040060	00.9831	050018	01.2012	050080	01.2142	050144	01.4848	050215	01.3981
040062	01.3005	050019	00.8835	050081	01.5882	050145	01.2480	050217	01.1694
040063	01.3827	050021	01.3145	050082	01.4089	050146	01.1864	050219	01.3190
040064	00.9082	050022	01.4471	050084	01.4557	050147	00.6221	050220	01.2600
040066	00.9369	050024	01.4308	050086	01.1841	050148	01.1145	050221	01.4600
040067	01.0707	050025	01.5588	050087	00.8656	050149	01.2848	050222	01.5204
040069	01.0169	050026	01.4768	050088	01.0475	050150	01.2228	050224	01.4907
040070	00.9049	050028	01.2806	050089	01.2895	050152	01.4959	050225	01.2346
040071	01.3858	050029	01.3353	050090	01.2273	050153	01.8038	050226	01.3743
040072	01.0647	050030	01.2962	050091	01.1881	050154	01.2115	050228	01.2428
040074	01.1342	050032	01.1858	050092	00.9937	050155	01.1830	050229	01.0478
040075	01.1079	050033	01.3883	050093	01.5203	050158	01.5659	050230	01.3803
040076	00.9550	050034	01.2556	050096	01.0604	050159	01.3301	050231	01.4417
040077	00.9248	050036	01.6254	050097	01.5267	050161	01.6990	050232	01.8826
040078	01.2316	050038	01.3711	050099	01.5307	050164	01.2508	050233	01.2479
040080	01.0822	050039	01.5719	050100	01.7281	050166	00.9265	050234	01.3026
040081	00.8555	050040	01.1671	050101	01.3263	050167	01.3857	050235	01.3857
040082	01.1470	050041	01.1884	050102	01.2740	050168	01.6758	050236	01.3398
040084	01.1332	050042	01.1872	050103	01.4976	050169	01.4300	050238	01.4123
040085	01.1200	050043	01.4938	050104	01.3551	050170	01.3868	050239	01.3497
040088	01.1608	050045	01.2798	050107	01.3715	050172	01.2812	050240	01.3741
040090	00.9722	050046	01.1721	050108	01.3976	050173	01.2580	050241	01.2394
040091	01.0613	050047	01.5811	050109	02.0861	050174	01.5730	050242	01.4142
040093	00.9639	050049	01.3021	050110	01.1213	050175	01.3185	050243	01.4171
040095	00.9256	050051	01.1921	050111	01.3020	050177	01.3047	050245	01.4720
040100	01.1065	050052	00.6104	050112	01.4958	050178	01.2471	050248	01.1373
040105	01.0133	050053	01.2807	050113	01.2129	050180	01.3836	050251	01.2189
040106	01.0663	050054	01.2994	050114	01.5048	050181	01.3538	050254	01.1897
040107	01.0331	050055	01.2658	050115	01.4516	050183	01.1838	050256	01.5710
040109	01.1075	050056	01.3036	050116	01.3580	050186	01.3845	050257	01.3619
040114	01.6706	050057	01.3848	050117	01.2999	050188	01.3806	050258	01.3513
040115	01.0084	050058	01.3788	050118	01.1933	050189	01.0317	050260	01.0401
040116	01.2655	050060	01.4109	050121	01.2093	050190	01.0259	050261	01.1992
040118	01.1230	050061	01.2733	050122	01.4137	050191	01.3776	050262	01.6032
040119	01.1023	050063	01.3339	050124	01.2209	050192	01.1864	050263	01.3491
040122	01.0462	050065	01.4808	050125	01.3245	050193	01.3720	050264	01.4534
040124	01.1086	050066	01.2498	050126	01.3316	050194	01.2431	050267	01.4747
040126	00.9904	050067	01.2779	050127	01.3016	050195	01.3914	050269	01.1949
040131	00.8363	050068	00.8734	050128	01.4399	050196	01.2958	050270	01.2871
040898	00.5283	050069	01.5727	050129	01.5150	050197	01.9038	050272	01.3304

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE

3 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
050274	01.0414	050351	01.4203	050434	01.0797	050517	01.3778
050276	01.1146	050352	01.2453	050435	01.1655	050522	01.3377
050277	01.3198	050353	01.5817	050436	01.0786	050523	01.2286
050278	01.3115	050355	00.9115	050438	01.4249	050526	01.2468
050279	01.2703	050357	01.7070	050440	01.2862	050527	01.3364
050280	01.4014	050359	01.0780	050441	01.6536	050528	01.2251
050281	01.2956	050360	01.3919	050442	01.2073	050530	01.3038
050282	01.2957	050363	01.3437	050443	00.9647	050531	01.1105
050283	01.3048	050366	01.3528	050444	01.1998	050534	01.3919
050286	00.9609	050367	01.2485	050446	00.9429	050535	01.3369
050289	01.5766	050369	01.3467	050447	01.1368	050537	01.2444
050290	01.4397	050373	01.2037	050448	01.0191	050539	01.3085
050291	01.1849	050376	01.2527	050449	01.1845	050541	01.4081
050292	01.1623	050377	01.0600	050450	00.8738	050542	01.1054
050293	00.9420	050378	01.2023	050451	00.9845	050543	01.1472
050295	01.2928	050379	01.2143	050454	01.6180	050544	01.4127
050296	01.1852	050380	01.5764	050455	01.7497	050545	00.8814
050298	01.2673	050381	01.2588	050456	01.3151	050546	00.8479
050299	01.2249	050382	01.2958	050457	01.6652	050547	00.9894
050300	01.3254	050385	01.2248	050458	00.9362	050549	01.6538
050301	01.2188	050387	01.0223	050459	01.3663	050550	01.2500
050302	01.2814	050388	00.8693	050464	01.7972	050551	01.3000
050305	01.3803	050390	01.2215	050467	01.2530	050552	01.3376
050307	01.4742	050391	01.3561	050468	01.4547	050557	01.4227
050308	01.5510	050392	00.8513	050469	01.0534	050559	01.3123
050309	01.2560	050393	01.4610	050470	01.1721	050560	01.2818
050310	01.1624	050394	01.4738	050471	01.7385	050561	01.0760
050312	01.7479	050396	01.4814	050476	01.2806	050564	01.2761
050313	01.1906	050397	00.8823	050477	01.3594	050565	01.2106
050315	01.2761	050401	01.2495	050478	00.9862	050566	00.9377
050317	01.2820	050404	01.0868	050481	01.5434	050567	01.4883
050319	01.3291	050406	01.0376	050482	00.9971	050568	01.3242
050320	01.1842	050407	01.1527	050483	01.3748	050569	01.1744
050324	01.7681	050410	01.1017	050485	01.6082	050570	01.6243
050325	01.2333	050411	01.2007	050486	01.4679	050571	01.3239
050327	01.5761	050414	01.2802	050488	01.1753	050573	01.5458
050328	01.3253	050417	01.1468	050489	01.1628	050575	01.2618
050329	01.2795	050418	01.2759	050491	01.4837	050577	01.2828
050331	01.2903	050419	01.2017	050492	01.2597	050578	01.3215
050333	01.0155	050420	01.3941	050494	01.0673	050579	01.3759
050334	01.4318	050421	01.3081	050496	01.6775	050580	01.2531
050335	01.2849	050423	01.0534	050497	00.9029	050581	01.3129
050336	01.2794	050424	01.7370	050498	01.1389	050583	01.6606
050337	01.2675	050425	01.2444	050502	01.6726	050584	01.2731
050342	01.4165	050426	01.3925	050503	01.4001	050585	01.3085
050343	01.0760	050427	00.9215	050506	01.4485	050586	01.3339
050345	01.3277	050430	00.9401	050510	01.2548	050587	01.1856
050348	01.5880	050431	01.1894	050512	01.2166	050588	01.2739
050349	01.0349	050432	01.5031	050515	01.3401	050589	01.3342
050350	01.3772	050433	01.0084	050516	01.3111	050590	01.2671

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.

CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C. HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 4 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
050677	01.2585	060043	00.9207	070015	01.2443	100012	01.3927	100070	01.3132
050678	01.1801	060044	01.1244	070016	01.2898	100014	01.2615	100071	01.3484
050679	01.3815	060045	01.2537	070017	01.3858	100015	01.3108	100072	01.1952
050680	01.2043	060046	00.8781	070018	01.2840	100016	01.0483	100073	01.7376
050682	00.7724	060047	00.9874	070019	01.1517	100017	01.6983	100074	01.2884
050684	01.2171	060050	01.0805	070020	01.3500	100018	01.2885	100075	01.6516
050685	01.1282	060052	01.0215	070021	01.2086	100019	01.4768	100076	01.3017
050686	01.1700	060053	00.8750	070022	01.6180	100020	01.3179	100077	01.2705
050687	01.1043	060054	01.2045	070023	01.2009	100021	01.3307	100078	01.1325
050688	01.0801	060056	00.9478	070024	01.2016	100022	01.4637	100079	01.1841
050689	01.4765	060057	01.0695	070025	01.5944	100023	01.2918	100080	01.5236
050690	01.1930	060058	00.8323	070026	01.1610	100024	01.1779	100081	01.1641
050691	00.8118	060060	01.0293	070027	01.2144	100025	01.4856	100082	01.3542
050695	01.1209	060062	00.9543	070028	01.4242	100026	01.3782	100083	01.3344
060001	01.4393	060063	01.2211	070029	01.2612	100027	00.9103	100084	01.3333
060003	01.1837	060064	01.3180	070030	01.2559	100028	01.3181	100085	01.3113
060004	01.0020	060065	01.3281	070031	01.3123	100029	01.3842	100086	01.3223
060005	01.6943	060066	00.9437	070033	01.2993	100030	01.1022	100087	01.6229
060006	01.1314	060068	01.1755	070034	01.2595	100032	01.3774	100088	01.3724
060007	01.1850	060070	01.0355	070035	01.3283	100033	01.3993	100089	01.2331
060008	01.0814	060071	01.1246	070036	01.2641	100034	01.4908	100090	01.2828
060009	01.3108	060072	00.9454	070038	00.5272	100035	01.4208	100092	01.2527
060010	01.5044	060073	01.0535	080001	01.5353	100038	01.5022	100093	01.4417
060011	01.0989	060074	00.9238	080002	01.1690	100039	01.5583	100098	01.0597
060012	01.3558	060075	01.2106	080003	01.2163	100040	01.5629	100099	01.2187
060013	01.1899	060076	01.2922	080004	01.2558	100042	01.1902	100100	01.1737
060014	01.5088	060078	01.0267	080005	01.2643	100043	01.3580	100102	01.1600
060015	01.3673	060087	01.4305	080006	01.1402	100044	01.3385	100103	00.9821
060016	01.0912	060088	01.0496	080007	01.1768	100045	01.3416	100105	01.2764
060017	01.2262	060090	00.8500	080008	01.4195	100046	01.3014	100106	01.0121
060018	01.1232	060093	00.8704	090001	01.3020	100047	01.3454	100107	01.2499
060020	01.4736	060096	01.1144	090002	01.3876	100048	00.9442	100108	01.0004
060022	01.4466	060100	01.3359	090003	01.5413	100049	01.3383	100109	01.3983
060023	01.4767	060101	01.9030	090005	01.2677	100050	01.1382	100110	01.1904
060024	01.5338	060102	01.2883	090006	01.2744	100051	01.1315	100112	00.9884
060026	01.3542	060103	01.2026	090007	01.1694	100052	01.3076	100113	01.7198
060027	01.2844	070001	01.7510	090008	01.3008	100053	01.1452	100114	01.3981
060028	00.9380	070002	01.7403	090009	01.2572	100054	01.3874	100117	01.3078
060029	01.3256	070003	01.1549	090010	01.0598	100055	01.3317	100118	01.2589
060030	01.3894	070004	01.1412	090011	01.7018	100056	01.4856	100121	01.2063
060031	01.3894	070005	01.2722	090018	00.5215	100057	01.3271	100122	01.3397
060032	01.3510	070006	01.2474	100001	01.3137	100059	01.4301	100124	01.2978
060033	01.1073	070007	01.3392	100002	01.3537	100060	01.6711	100125	01.0828
060034	01.2654	070008	01.2357	100004	01.0681	100061	01.4064	100128	01.4383
060036	01.2180	070009	01.2480	100005	00.9588	100062	01.5427	100129	01.4370
060037	00.9677	070010	01.4457	100006	01.5521	100063	01.2099	100128	02.2884
060038	01.1267	070011	01.1920	100008	01.8750	100065	01.3047	100129	01.4465
060039	00.9426	070012	01.2400	100008	01.5983	100067	01.4184	100130	01.1214
060041	01.1971	070013	01.3125	100009	01.4024	100068	01.4282	100131	01.3030
060042	00.9849	070014	01.1252	100010	01.3162	100069	01.3950	100132	01.3355

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991



TABLE 3C: HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
100134	01.0114	100203	01.0985	100264	01.2774	110041	01.0990	110103	00.8433
100135	01.4773	100204	01.5276	100265	01.2134	110042	01.0857	110104	01.1266
100137	01.1607	100206	01.3681	100266	01.3054	110043	01.4979	110105	01.1693
100138	01.0344	100207	01.3495	100267	01.2434	110044	01.0881	110107	01.5312
100139	01.0186	100208	01.4368	100268	01.3018	110045	00.9739	110108	00.8226
100140	01.1308	100209	01.5300	100269	01.2825	110046	01.2081	110109	01.0210
100142	01.0626	100210	01.5742	100270	00.8947	110048	01.0781	110111	01.0289
100143	01.0879	100211	01.2444	100271	01.4572	110049	01.0852	110112	00.9518
100144	01.1719	100212	01.5095	100273	01.1475	110050	01.1085	110113	01.0048
100145	01.2871	100213	01.5398	100275	01.2510	110051	00.8487	110114	01.1532
100146	01.0820	100217	01.1391	100276	01.3086	110052	00.8795	110115	01.5368
100147	01.0858	100218	00.8897	100277	01.0237	110054	01.2077	110117	01.0588
100149	01.2577	100219	01.3948	100278	00.5667	110055	00.9192	110118	00.8041
100150	01.3678	100220	01.6984	100898	00.5215	110056	00.9298	110120	01.0225
100151	01.7240	100221	01.5038	110001	01.2155	110059	01.1656	110121	01.0165
100152	01.2244	100222	01.2878	110002	01.2001	110061	00.9359	110122	01.2988
100154	01.4550	100223	01.3890	110003	01.2373	110062	00.9021	110123	01.0124
100158	01.0783	100224	01.2485	110004	01.2073	110063	01.0593	110124	01.0859
100157	01.4351	100225	01.3868	110005	01.2823	110064	01.1944	110125	01.1193
100159	00.9778	100226	01.3069	110008	01.2598	110065	01.0443	110127	00.9337
100160	01.1534	100227	01.0534	110007	01.3535	110068	01.2141	110128	01.0488
100161	01.4621	100228	01.1882	110008	01.1368	110069	01.1624	110129	01.4887
100162	01.2805	100229	01.5098	110009	01.1583	110070	00.9276	110130	01.0070
100164	00.9682	100230	01.2441	110010	01.8448	110071	01.0572	110131	01.1237
100165	01.0336	100231	01.6110	110011	01.1175	110072	00.9916	110132	01.1021
100166	01.4245	100232	01.2547	110013	01.0432	110073	01.3340	110133	00.9150
100167	01.2825	100234	01.2194	110014	01.1532	110074	01.2703	110134	00.8959
100168	01.2673	100235	01.4012	110015	01.1328	110075	01.1944	110135	01.1151
100169	01.7404	100236	01.3328	110016	01.1518	110076	01.2987	110138	01.1528
100170	01.3255	100237	02.0581	110017	00.9498	110077	01.0287	110140	00.8941
100172	01.3777	100238	01.3576	110018	01.1229	110078	01.4767	110141	00.8089
100173	01.4704	100239	01.3587	110020	01.0985	110079	01.1563	110142	01.0870
100174	01.5002	100240	00.7920	110023	01.1721	110080	01.0234	110143	01.2133
100175	01.0962	100241	01.0463	110024	01.3487	110082	01.8734	110144	01.2990
100176	01.9032	100242	01.2885	110025	01.1954	110083	01.4330	110148	00.9494
100177	01.3108	100243	01.2979	110026	01.1412	110085	01.1088	110149	00.9881
100179	01.6234	100244	01.3653	110027	01.0847	110086	01.1218	110150	01.1911
100180	01.3748	100246	01.3083	110028	01.4508	110087	01.2298	110151	01.0090
100181	01.2812	100248	01.6223	110029	01.2958	110088	00.9399	110152	01.0126
100183	01.3119	100249	01.2905	110030	01.1990	110089	01.1009	110153	01.0102
100185	01.1493	100252	01.2517	110031	01.2196	110091	01.2680	110154	00.8765
100186	01.3960	100253	01.3740	110032	01.0962	110092	01.0294	110155	01.0643
100187	01.2310	100254	01.5148	110033	01.3528	110093	00.9686	110156	00.9536
100189	01.3218	100255	01.3766	110034	01.3959	110094	00.9860	110157	01.1743
100191	01.3124	100256	01.5689	110035	01.3185	110095	01.2795	110161	01.1688
100194	01.2249	100258	01.7050	110036	01.5898	110096	01.1276	110162	00.8615
100195	01.4910	100259	01.4288	110038	01.1850	110097	01.1011	110163	01.2783
100198	01.2273	100260	01.2886	110038	01.2681	110098	01.0585	110164	01.3070
100199	01.2628	100262	01.3174	110039	01.2678	110100	01.0977	110165	01.1448
100200	01.3140	100263	01.4042	110040	00.9522	110101	01.0157	110166	01.3934

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.

: CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 6 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
110168	01.4828	120027	01.1672	140008	01.3754	140069	01.1043	140129	01.0200
110169	00.7331	130001	00.9874	140010	01.3398	140070	01.2550	140130	01.1337
110171	01.3210	130002	01.3569	140011	01.0892	140072	01.0785	140132	01.4672
110172	01.0388	130003	01.3008	140012	01.2611	140074	01.1278	140133	01.3303
110174	00.8739	130005	01.3547	140013	01.2985	140075	01.3682	140135	01.1801
110175	00.8807	130006	01.5963	140014	01.0736	140077	01.0373	140137	01.0410
110176	01.1301	130007	01.4995	140015	01.1876	140079	01.2271	140138	01.1037
110177	01.3862	130008	00.8426	140016	01.0055	140080	01.7008	140139	01.0771
110178	01.1865	130009	01.0100	140017	01.1342	140081	01.1100	140140	01.0657
110179	01.1115	130010	00.9267	140018	01.3210	140082	01.2318	140141	00.9841
110181	00.9558	130011	01.2438	140019	00.9101	140083	01.2618	140143	01.0431
110183	01.1940	130012	00.9953	140024	00.9871	140084	01.1993	140144	01.0168
110184	01.1803	130013	01.2303	140025	01.0882	140085	01.0295	140145	01.0791
110185	01.0405	130014	01.3111	140026	01.1010	140086	01.0376	140146	00.9278
110186	01.2294	130015	00.9753	140027	01.0842	140087	01.3949	140147	01.1113
110187	01.0298	130016	00.9080	140029	01.3349	140088	01.5091	140148	01.4572
110188	01.3177	130017	00.9415	140030	01.4884	140089	01.2227	140150	01.3485
110189	01.0419	130018	01.4605	140031	01.0228	140090	01.3248	140151	01.0866
110190	01.1226	130019	01.1020	140032	01.2071	140091	01.5229	140152	01.1240
110191	01.1850	130021	00.9477	140033	01.2083	140093	01.2422	140154	01.2526
110192	01.2833	130022	01.2743	140034	01.1146	140094	01.1774	140155	01.2006
110193	01.1623	130024	01.1124	140035	01.0148	140095	01.2753	140158	01.4057
110194	00.9092	130025	00.9969	140036	01.1391	140097	00.9353	140159	01.2118
110195	01.1768	130026	01.1046	140037	00.9437	140098	01.2768	140160	01.1612
110198	01.2933	130027	00.9294	140038	00.9914	140100	01.1881	140161	01.1417
110200	01.7321	130028	01.2310	140039	01.0523	140101	01.1015	140162	01.3628
110201	01.2824	130029	01.0214	140040	01.2584	140102	01.0242	140164	01.2450
110202	01.1574	130030	00.9903	140041	00.9980	140103	01.2172	140165	01.0449
110203	01.0058	130031	00.9941	140042	01.0621	140105	01.2643	140166	01.2345
110205	00.9135	130034	00.9071	140043	01.1516	140107	00.9114	140167	01.0827
110888	00.5215	130035	00.9754	140045	00.9913	140108	01.1846	140168	01.1678
120001	01.5791	130036	01.2251	140046	01.2085	140109	00.9997	140170	00.9460
120002	01.1743	130037	01.1608	140047	01.0819	140110	01.1955	140171	00.8593
120003	01.1098	130039	01.2689	140048	01.2268	140112	01.0835	140172	01.4299
120004	01.2937	130040	00.9647	140049	01.3780	140113	01.3257	140173	01.0191
120005	01.1315	130043	01.0392	140051	01.1687	140114	01.2127	140174	01.2883
120006	01.1914	130044	00.8867	140052	01.1420	140115	01.1646	140176	01.2021
120007	01.5362	130045	01.0033	140053	01.6230	140116	01.2533	140177	01.2127
120009	00.8663	130048	01.0106	140054	01.2771	140117	01.1791	140179	01.2319
120010	01.5577	130049	01.1821	140055	00.9977	140118	01.4700	140180	01.2876
120011	01.3415	130051	01.0234	140058	01.0535	140119	01.5179	140181	01.2819
120012	00.9640	130054	00.9287	140059	01.0402	140120	01.1869	140182	01.2872
120014	01.2333	130056	00.9332	140061	01.1596	140121	00.9863	140184	01.1240
120015	00.8779	130058	00.9229	140062	01.2565	140122	01.3642	140185	01.3461
120016	00.9983	140001	01.2602	140063	01.2447	140123	01.1420	140186	01.1973
120018	00.8382	140002	01.2539	140064	01.1674	140124	01.1350	140187	01.3663
120019	01.1285	140003	00.9657	140065	01.2760	140125	01.1757	140188	00.9637
120021	00.8883	140004	01.0050	140066	01.1651	140126	01.4346	140189	01.1514
120022	01.5282	140005	00.9459	140067	01.6324	140127	01.2785	140190	01.0612
120026	01.3897	140007	01.2826	140068	01.2505	140128	01.0862	140191	01.3077

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
140182	01.0859	140288	01.5400	150045	01.1195	150102	01.0709	160033	01.3181
140193	00.9676	140289	01.2711	150046	01.2973	150103	01.1212	160034	01.0236
140197	01.3111	140290	01.3594	150047	01.5152	150104	01.1112	160035	01.0279
140199	01.0320	140291	01.2527	150048	01.1990	150105	01.1911	160036	01.0954
140200	01.4610	140292	01.2049	150049	01.0859	150106	01.0284	160037	01.0759
140202	01.1962	140293	00.8927	150050	01.1331	150109	01.2781	160039	00.9786
140203	01.1377	140294	01.0835	150051	01.2151	150110	00.8094	160040	01.2240
140204	00.9516	140295	00.8926	150052	01.0323	150111	01.1275	160041	01.0991
140205	00.9827	140297	01.4532	150053	01.0722	150112	01.1448	160043	00.9802
140206	01.1578	140299	00.9976	150054	01.0799	150113	01.1566	160044	01.2637
140207	01.2471	150001	01.1112	150055	01.8227	150114	01.0771	160045	01.5178
140208	01.4297	150002	01.3101	150056	02.2445	150115	01.2127	160046	01.0214
140209	01.4889	150003	01.5169	150058	01.4779	150122	01.1083	160047	01.3440
140210	01.0507	150004	01.2701	150059	01.1310	150123	00.9718	160048	01.0124
140211	01.1453	150005	01.2198	150060	01.1527	150124	01.1433	160049	00.8693
140212	01.2877	150006	01.2371	150061	01.1711	150125	01.3685	160050	01.0905
140213	01.2113	150007	01.2027	150062	01.0343	150126	01.5502	160051	01.1653
140215	01.0814	150008	01.3129	150063	01.1614	150127	01.2110	160052	01.0718
140217	01.2055	150009	01.2881	150064	01.0549	150128	01.1801	160054	00.9898
140218	00.9538	150010	01.2025	150065	01.1002	150129	01.2898	160055	00.8917
140220	01.1176	150011	01.1523	150066	01.1266	150130	01.1329	160056	01.0362
140223	01.4447	150012	01.5300	150067	01.0886	150132	01.3474	160057	01.3450
140224	01.2748	150013	01.0484	150068	01.2375	150133	01.2198	160058	01.5650
140226	00.7740	150014	01.2800	150070	01.0916	150134	01.2095	160059	01.1841
140228	01.5121	150015	01.2108	150071	01.1730	150135	00.8233	160060	01.0443
140229	00.9699	150017	01.5586	150072	01.2430	150136	01.0668	160061	01.0022
140230	00.9497	150018	01.1878	150073	01.0478	150001	01.1783	160062	00.9786
140231	01.2758	150019	01.2462	150074	01.4078	150002	01.1808	160063	01.1449
140232	01.0356	150020	01.1067	150075	01.2519	150003	01.0418	160064	01.4492
140233	01.5610	150021	01.5847	150076	01.0178	150005	01.1207	160065	01.1249
140234	01.1624	150022	01.1309	150077	01.1493	150007	01.0336	160066	01.0467
140236	01.0087	150023	01.3773	150078	01.0613	150008	01.0650	160067	01.2122
140239	01.4880	150024	01.2130	150078	01.1142	150009	01.1008	160068	01.1084
140240	01.2739	150025	01.4703	150082	01.3651	150012	01.1488	160069	01.3452
140242	01.4046	150026	01.1467	150084	01.6167	150013	01.2262	160070	01.0174
140245	01.0350	150027	01.0116	150085	00.9353	150014	01.0193	160071	01.0716
140246	01.0111	150029	01.1929	150086	01.1853	150016	01.2804	160072	01.1037
140250	01.2235	150030	01.1848	150088	01.1669	150018	00.9819	160073	00.9143
140251	01.2778	150031	01.1086	150089	01.2909	150020	01.0893	160074	01.0579
140252	01.2879	150032	01.6492	150090	01.2789	150021	01.1197	160075	00.9613
140253	01.3990	150033	01.5190	150091	01.2018	150023	01.0885	160076	01.0479
140258	01.2888	150034	01.3086	150092	01.1141	150024	01.3123	160077	01.0846
140271	01.0433	150035	01.3340	150094	01.0471	150025	01.7147	160079	01.2978
140273	01.1245	150036	01.0290	150095	01.0487	150028	01.0704	160080	01.1204
140275	01.1899	150037	01.1660	150096	01.0352	150027	01.1019	160081	01.1209
140276	01.9184	150038	01.2725	150097	01.1038	150028	01.2445	160082	01.6128
140280	01.1921	150039	01.0795	150098	00.9879	150029	01.3207	160083	01.4612
140281	01.4551	150042	01.2201	150099	01.3693	150030	01.2383	160085	01.0634
140285	01.2334	150043	01.0852	150100	01.5118	150031	01.0867	160086	00.9504
140286	01.1081	150044	01.2210	150101	01.1027	150032	01.0016	160088	01.0316

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 8 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
160089	01.2068	160153	01.5143	170057	01.0244	170116	01.1432	180013	01.3273
160090	01.0705	160898	00.5215	170058	01.0473	170117	00.9845	180014	01.5063
160091	01.1851	170001	01.1868	170060	01.0065	170119	01.0046	180015	01.1280
160092	01.0036	170003	01.1837	170061	01.0317	170120	01.1929	180016	01.2338
160093	00.9518	170004	01.1328	170062	00.9286	170121	00.8500	180017	01.2833
160094	01.1067	170006	01.1750	170063	00.8559	170122	01.8134	180018	01.2041
160095	01.1259	170007	01.2084	170064	01.1227	170123	01.5824	180019	01.1881
160097	01.1767	170008	01.0539	170066	00.9789	170124	01.0180	180020	01.0200
160098	01.0210	170009	01.1682	170067	00.9705	170125	00.9109	180021	00.9831
160099	01.0731	170010	01.1460	170068	01.1334	170126	00.9874	180023	00.8627
160101	01.1766	170011	01.3185	170069	00.8930	170128	00.9692	180024	01.0522
160102	01.2696	170012	01.4115	170070	00.9459	170131	01.0840	180025	01.0931
160103	00.9491	170013	01.2629	170072	00.9088	170133	01.2408	180026	00.9947
160104	01.1011	170014	01.0522	170073	01.2138	170134	00.9948	180027	01.1338
160106	01.0538	170015	01.0468	170074	01.1234	170137	01.1592	180028	00.9853
160107	01.0909	170016	01.5472	170075	00.8375	170139	00.9539	180029	01.2607
160108	01.2133	170017	01.1560	170076	01.1513	170140	01.0254	180030	01.1209
160109	01.0529	170018	01.0715	170077	01.0334	170142	01.2088	180031	01.0005
160110	01.4746	170019	01.2601	170078	00.9588	170143	01.1248	180032	00.9156
160111	01.0625	170020	01.2330	170079	00.8783	170144	01.4314	180033	01.0038
160112	01.2497	170021	00.9317	170081	01.0956	170145	01.1783	180034	01.0338
160113	00.9749	170022	01.2234	170082	00.9558	170146	01.2988	180035	01.4080
160114	01.0035	170023	01.3017	170084	01.0251	170147	01.1518	180036	01.0724
160115	01.0758	170024	01.1911	170085	00.9705	170148	01.2960	180037	01.3145
160116	01.1191	170025	01.1704	170086	01.5737	170150	01.1346	180038	01.2412
160117	01.2871	170026	01.0706	170087	01.3900	170151	01.0339	180040	01.8027
160118	01.0810	170027	01.1684	170088	01.0062	170152	01.0145	180041	01.0867
160119	00.8733	170030	01.0118	170089	00.9872	170159	00.9831	180042	01.0681
160120	00.9932	170031	00.9115	170090	00.9901	170160	00.9652	180043	01.0107
160122	01.1227	170032	01.0450	170092	00.8458	170164	01.0782	180044	01.1113
160123	01.0746	170033	01.2217	170093	00.9972	170166	01.0151	180045	01.1718
160124	01.1649	170034	01.0273	170094	01.0202	170168	00.8945	180046	01.0059
160126	01.0521	170035	00.9183	170095	01.1532	170170	01.0033	180047	00.9791
160129	01.0823	170036	00.8410	170097	00.8902	170171	01.2057	180048	01.1697
160130	01.0823	170037	01.1080	170098	00.9994	170172	01.0505	180049	01.3456
160131	01.1761	170038	00.9399	170099	01.2287	170173	01.0099	180050	01.2865
160132	00.9380	170039	01.0629	170100	00.7725	170174	00.8644	180051	01.1924
160133	01.1367	170040	01.3994	170101	01.1072	170175	01.2609	180053	01.0055
160134	00.9359	170041	00.9622	170102	01.0015	170176	01.4563	180054	01.0460
160135	00.9594	170043	01.0014	170103	01.1662	170178	00.5283	180055	01.0110
160138	00.9748	170044	01.2126	170104	01.3946	180001	01.1340	180056	01.0459
160140	01.0478	170045	01.0577	170105	01.0033	180002	01.1327	180058	00.9135
160141	00.9133	170049	01.2663	170106	00.8811	180004	01.1448	180059	00.9381
160142	01.1090	170050	00.9605	170108	00.8874	180005	01.0243	180060	00.9352
160143	01.1017	170051	00.9930	170109	01.0153	180006	00.8757	180062	00.9042
160145	01.0290	170052	01.0677	170110	00.8783	180007	01.3732	180063	01.0496
160146	01.2819	170053	00.9049	170112	01.1063	180009	01.1208	180064	01.0749
160147	01.2403	170054	01.1539	170113	01.1175	180010	01.6858	180065	00.9492
160151	01.1144	170055	01.0492	170114	01.0338	180011	01.1601	180066	01.0986
160152	01.0673	170056	00.9713	170115	01.1185	180012	01.2419	180067	01.7170

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 9 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
180069	01.1358	190005	01.2162	190088	01.2051	190184	01.1061	200019	01.2317
180070	00.9917	190006	01.1056	190089	01.1084	190185	01.0183	200020	01.0396
180072	01.0318	190007	01.0565	190090	01.2219	190186	01.0622	200021	01.1767
180075	00.9844	190008	01.4199	190092	01.2672	190187	01.3180	200023	00.8746
180078	01.0223	190009	01.1715	190095	01.0556	190170	00.9774	200024	01.1645
180079	00.9959	190010	00.9735	190098	01.2760	190173	01.3783	200025	01.1384
180080	01.1793	190011	01.0558	190099	01.2388	190175	01.1713	200026	01.0264
180081	01.3524	190012	00.9915	190102	01.4353	190176	01.4281	200027	01.0969
180085	01.2325	190013	01.1964	190103	00.9879	190177	01.4337	200028	01.0014
180087	01.0094	190014	00.9450	190106	01.1603	190178	01.0070	200031	01.2094
180088	01.5530	190015	01.2025	190109	01.0613	190182	01.0719	200032	01.2598
180092	01.1237	190017	01.1927	190110	00.9755	190183	01.0169	200033	01.6799
180093	01.3492	190018	01.1971	190111	01.4682	190184	00.9589	200034	01.1942
180094	00.9688	190019	01.4271	190112	01.2995	190185	01.1778	200037	01.1580
180095	01.0049	190020	01.1410	190113	01.2221	190186	00.9273	200038	01.0708
180099	00.9538	190023	00.9288	190114	00.9551	190187	00.6314	200039	01.2654
180101	01.2321	190025	01.1788	190115	01.2777	190188	00.8035	200040	01.0708
180102	01.3363	190026	01.2734	190116	01.1953	190189	01.2160	200041	01.1822
180103	01.6834	190027	01.3791	190118	01.0137	190190	01.0119	200043	00.7760
180104	01.3989	190029	01.2139	190119	00.9131	190191	01.1334	200044	01.1506
180105	00.9288	190033	00.9588	190120	00.8827	190193	01.2085	200050	01.1108
180106	00.8976	190034	01.2232	190122	01.2147	190194	01.1794	200051	00.9515
180108	00.9513	190035	01.4083	190124	01.3278	190196	00.9773	200052	01.0473
180115	01.0111	190036	01.5873	190125	01.2882	190197	01.1500	200055	00.9789
180116	01.2443	190037	01.0117	190127	01.3887	190198	01.1196	200056	01.2386
180117	01.2501	190039	01.3822	190128	00.8691	190199	01.1628	200062	01.2221
180118	00.9949	190040	01.3066	190130	00.9872	190200	01.4972	200063	01.2826
180120	00.9255	190041	01.5037	190131	01.2656	190201	01.2672	210001	01.6951
180121	01.0812	190043	01.0486	190132	01.1456	190202	01.2673	210002	01.1512
180122	00.9705	190044	01.0801	190133	01.0117	190203	01.5931	210003	01.2569
180123	01.3447	190045	01.2515	190134	01.0478	190204	01.3774	210004	01.2280
180124	01.2170	190046	01.4023	190135	01.3186	190205	01.3155	210005	01.0802
180125	00.9950	190047	01.1357	190136	00.9516	190206	01.3962	210006	01.4025
180126	01.0130	190048	01.0629	190138	00.8006	190207	01.2938	210007	01.4130
180127	01.1338	190049	01.0220	190140	00.9790	190208	00.8430	210008	01.2099
180128	01.0903	190050	01.1082	190142	00.9349	190211	00.8697	210009	01.1817
180129	01.1679	190053	01.0073	190144	01.1597	190212	00.8862	210010	01.3000
180130	01.3558	190054	01.3179	190145	00.9383	200001	01.3042	210012	01.2814
180132	01.2967	190059	00.9516	190146	01.4967	200002	00.9552	210013	01.2217
180133	01.2012	190060	01.2533	190147	00.9877	200003	00.9938	210015	01.6333
180134	01.1294	190064	01.3983	190148	00.9219	200006	01.1336	210016	01.1277
180136	01.2705	190065	01.4041	190149	00.9946	200007	00.9838	210017	01.2823
180137	01.7286	190071	00.9748	190151	01.1060	200008	01.1895	210019	01.2790
180138	01.1985	190075	01.3874	190152	01.3729	200009	01.6329	210021	01.1989
180139	00.9341	190077	00.9066	190155	01.0643	200012	01.1256	210022	01.2308
180898	00.5215	190078	01.1592	190156	00.8483	200013	01.1590	210023	01.2227
190001	00.9029	190079	01.2490	190158	01.3040	200015	01.2765	210024	01.2526
190002	01.5033	190081	00.8854	190160	01.1017	200016	01.0227	210025	01.2054
190003	01.3284	190083	00.8819	190161	00.9445	200017	01.2907		
190004	01.1461	190086	01.2305	190162	01.1326	200018	01.0896		

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.

: CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 10 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
210026	01.2944	220031	01.6844	220099	01.1167	230024	01.4743	230098	01.0786
210027	01.1968	220033	01.1631	220100	01.2307	230027	01.1426	230097	01.3176
210028	00.9995	220034	01.1939	220101	01.3116	230029	01.4445	230098	01.4035
210029	01.2987	220035	01.1799	220102	00.6121	230030	01.1756	230099	01.1520
210030	01.0183	220036	01.4868	220104	01.1877	230031	01.3395	230100	01.1363
210031	01.6883	220038	01.2086	220105	01.1528	230032	01.7240	230101	01.0858
210032	01.1443	220040	01.2819	220106	01.1176	230034	01.1658	230103	01.0141
210033	01.1397	220041	01.1841	220107	01.1171	230035	01.0987	230104	01.4278
210034	01.1716	220042	01.1385	220108	01.1558	230036	01.2561	230105	01.5334
210035	01.1114	220045	01.2070	220110	01.8992	230037	01.0863	230106	01.1037
210036	01.1607	220046	01.3840	220111	01.1781	230038	01.4941	230107	01.0410
210037	01.1942	220048	01.1717	220114	01.0883	230039	01.2856	230108	01.1091
210038	01.3143	220049	01.1331	220115	01.3459	230040	01.2401	230110	01.2520
210039	01.1520	220050	01.0123	220116	01.7249	230041	01.1225	230111	00.9648
210040	01.2763	220051	01.1785	220117	00.9729	230042	01.1019	230113	00.8620
210043	01.1683	220052	01.2129	220118	01.8438	230043	00.8935	230114	00.8012
210044	01.2030	220053	01.2249	220119	01.3003	230046	01.6376	230115	00.9566
210045	00.9918	220055	01.1740	220120	00.9870	230047	01.2093	230116	00.8402
210046	01.1099	220057	01.2186	220123	00.9066	230051	00.9701	230117	01.7713
210048	01.1103	220058	01.0310	220126	01.2531	230053	01.3618	230118	01.2297
210049	01.1116	220060	01.0842	220128	01.1221	230054	01.5645	230119	01.1594
210051	01.2363	220062	00.5593	220129	01.0709	230055	01.0857	230120	01.0217
210054	01.2273	220063	01.1374	220131	01.1297	230056	01.0077	230121	01.1821
210055	01.1849	220064	01.1982	220133	00.7297	230058	01.1086	230122	01.3388
210056	01.3572	220065	01.1431	220135	01.1006	230059	01.4186	230124	01.0584
210057	01.1699	220066	01.3035	220153	00.9267	230060	01.1385	230125	01.4337
210058	01.7226	220067	01.1980	220154	00.8998	230062	01.0551	230128	01.3352
210059	01.2855	220068	00.6405	220156	01.1928	230063	01.2214	230129	01.8042
220001	01.1548	220070	01.1619	220162	01.2266	230065	01.3111	230130	01.5278
220002	01.3331	220071	01.7669	220163	01.9398	230066	01.2506	230132	01.3398
220003	01.0133	220073	01.2085	220171	01.4376	230068	01.2751	230133	01.1139
220004	01.3534	220074	01.0877	220173	00.5510	230069	01.1542	230134	01.1000
220006	01.2113	220075	00.7532	220175	00.9517	230070	01.2951	230135	01.2207
220008	01.2081	220076	01.1931	220178	00.5215	230071	00.6868	230137	01.0678
220010	01.1631	220077	01.6090	220188	00.5215	230072	01.1996	230138	00.8858
220011	01.2577	220079	01.1196	220190	01.2527	230075	01.2758	230140	01.1583
220012	01.1940	220080	01.1509	220202	01.2198	230076	01.1384	230141	01.4967
220015	01.2020	220081	00.9635	220203	01.1356	230077	02.0109	230142	01.2451
220016	01.1593	220082	01.1946	220205	01.1671	230078	01.1951	230143	01.2792
220017	01.2503	220083	01.1831	220206	01.0859	230080	01.2546	230144	01.1834
220019	01.0829	220084	01.2009	220207	01.0884	230081	01.1889	230145	01.1422
220020	01.0979	220086	01.5494	220212	00.8536	230082	01.0770	230146	01.1596
220021	01.1760	220088	01.5302	220213	01.2862	230085	01.2008	230147	01.2888
220023	01.2129	220089	01.2371	220214	00.9884	230086	01.0015	230149	01.1048
220024	01.1767	220090	01.2282	220215	01.2854	230087	01.0762	230150	01.6669
220025	01.0603	220092	01.2002	220217	01.5272	230089	01.3222	230151	01.3878
220026	01.2256	220094	01.1703	220219	01.5333	230090	01.0978	230153	01.0642
220028	01.3318	220095	01.1790	220220	01.4836	230092	01.2127	230154	01.0856
220029	01.1244	220097	01.0505	220021	01.4110	230093	01.1289	230155	01.0174
220030	01.0430	220098	01.1431	220022	01.2428	230095	01.0782	230156	01.5773

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 11 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
230157	01.3750	230241	01.1267	240047	01.4158	240107	00.9847	240169	00.9884
230159	01.3161	230244	01.3001	240048	01.2801	240108	00.9927	240170	01.0944
230161	01.1097	230253	01.1097	240049	01.6036	240109	01.1309	240171	01.1072
230162	00.9430	230254	01.2457	240050	01.0070	240110	01.0735	240172	01.1642
230165	01.6497	230257	00.9041	240051	00.9148	240111	01.0501	240173	01.0421
230167	01.1823	230259	01.0750	240052	01.1844	240112	01.0482	240175	00.8395
230169	01.2802	230264	01.1695	240053	01.4126	240114	01.0151	240176	01.0238
230171	01.0230	230266	01.3086	240056	01.3311	240115	01.4183	240179	01.0242
230172	01.1406	230269	01.2518	240057	01.7407	240116	00.9767	240180	00.9706
230173	01.4387	230270	01.2394	240058	01.0119	240117	01.1127	240183	01.1343
230174	01.2630	230273	01.3835	240059	01.0893	240119	00.8818	240184	01.0408
230175	01.0683	230275	00.9082	240061	01.5161	240121	00.9451	240187	01.1355
230176	01.1708	230276	00.8372	240063	01.4256	240122	01.0896	240192	00.9313
230178	01.0640	230277	01.2277	240064	01.2053	240123	01.0475	240193	00.9385
230179	00.7862	230278	00.7969	240065	01.0304	240124	01.0865	240196	01.1160
230180	01.1337	240001	01.5482	240066	01.2953	240125	01.0128	240200	00.9852
230184	01.1328	240002	01.6185	240069	01.2498	240127	01.0374	240201	00.9893
230186	01.0231	240003	01.2507	240071	01.1309	240128	01.1552	240205	00.8632
230188	01.1048	240004	01.4148	240072	00.9839	240129	00.9618	240206	00.8518
230189	00.9464	240005	01.0321	240073	01.0533	240130	00.9940	240207	01.2253
230190	01.0901	240006	01.1353	240074	00.8762	240132	01.2239	240210	01.2616
230191	00.9589	240007	01.0730	240075	01.2117	240133	01.1397	240211	00.9945
230193	01.2452	240008	01.1108	240076	01.0498	240134	00.9961	250001	01.3740
230194	01.1362	240009	01.0754	240077	00.9954	240135	00.9048	250002	00.7985
230195	01.3249	240010	01.8258	240078	01.3542	240136	00.9057	250003	00.9080
230197	01.2099	240011	01.0543	240079	01.1489	240137	01.2079	250004	01.3648
230199	01.1837	240013	01.1877	240080	01.3512	240138	00.8660	250005	00.9721
230201	01.0358	240014	01.1273	240082	01.1381	240139	01.0291	250006	01.0557
230204	01.2700	240016	01.3267	240083	01.2070	240140	00.8456	250007	01.1200
230205	01.0494	240017	01.1806	240084	01.2276	240141	01.0499	250008	00.9474
230207	01.2686	240018	01.2511	240085	00.9075	240142	01.0971	250009	01.1005
230208	01.1093	240019	01.3703	240086	01.0711	240143	01.0445	250010	01.0841
230211	00.9267	240020	01.1894	240087	01.0920	240144	00.9567	250012	00.9409
230212	01.0591	240021	00.9336	240088	01.3934	240145	00.9580	250015	01.0841
230213	01.0322	240022	01.0799	240089	01.0633	240146	00.9374	250016	00.8447
230216	01.2857	240023	01.0560	240090	01.0714	240148	00.9919	250017	01.0056
230217	01.1217	240025	01.1821	240091	00.9894	240150	00.9647	250018	01.0215
230219	00.9022	240027	01.0888	240093	01.3408	240152	00.9363	250019	01.2182
230221	01.2310	240028	01.0983	240094	01.0541	240153	01.0388	250020	01.0179
230222	01.2576	240029	01.1825	240096	00.9971	240154	01.0315	250021	00.9731
230223	01.2685	240030	01.3065	240097	01.1043	240155	01.0522	250023	00.8273
230224	01.2452	240031	00.9099	240098	00.8825	240156	01.1059	250024	01.0239
230227	01.3106	240036	01.4236	240099	01.0859	240157	01.0479	250025	01.0225
230228	01.2660	240037	01.0709	240100	01.3106	240158	01.0245	250027	00.9858
230230	01.2599	240038	01.4277	240101	01.2310	240160	00.9670	250029	00.8807
230232	01.0598	240040	01.2253	240102	00.9007	240161	00.9368	250030	00.9210
230235	00.9905	240041	01.2056	240103	01.1304	240162	01.0779	250031	01.1635
230236	01.3096	240043	01.1141	240104	01.2372	240163	00.9784	250032	01.1215
230237	01.0821	240044	01.1574	240105	00.9249	240166	01.1080	250033	00.9996
230239	01.1587	240045	01.0639	240106	01.2886	240167	00.8474	250034	01.4205

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.

: CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991



TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
250035	00.8593	250099	01.2575	260019	00.9829	260082	01.1783	260172	01.0305
250036	00.9725	250100	01.1442	260020	01.4874	260085	01.4173	260173	01.1871
250037	00.9875	250101	00.8892	260021	01.2863	260086	01.0012	260175	01.1244
250038	00.9120	250102	01.3709	260022	01.3458	260089	01.1225	260176	01.2906
250039	01.0010	250104	01.2858	260023	01.2130	260090	01.3740	260177	01.2792
250040	01.1763	250105	00.9268	260024	01.1093	260091	01.5088	260178	01.4145
250042	01.1801	250107	00.8881	260025	01.2348	260092	01.1456	260179	01.4478
250043	00.8696	250109	01.0058	260026	01.0104	260094	01.0855	260180	01.4841
250044	01.0855	250112	00.9457	260027	01.5048	260095	01.3295	260182	01.0434
250045	01.1542	250113	00.9566	260028	01.0723	260096	01.3684	260183	01.3295
250046	01.0238	250117	01.0759	260029	01.0870	260097	01.1812	260186	01.1519
250047	00.9189	250119	00.9800	260030	01.3178	260098	01.1822	260188	01.1803
250048	01.3196	250120	01.0639	260031	01.5468	260099	01.0380	260189	01.0279
250049	00.9497	250122	01.1892	260032	01.2631	260102	01.3205	260190	01.1379
250050	01.0643	250123	01.1250	260033	01.0212	260104	01.5723	260191	01.2489
250051	00.9186	250124	00.8704	260034	01.0583	260105	01.7960	260193	01.2063
250057	01.1239	250125	01.1888	260035	01.0843	260107	01.2734	260195	01.1052
250058	01.1021	250126	01.0200	260036	01.1735	260108	01.6380	260197	01.2113
250059	01.0200	250127	00.8593	260037	01.3546	260109	01.0184	260198	01.4063
250060	00.8052	250128	01.0150	260038	01.4407	260110	01.5002	260200	01.1774
250061	00.9614	250129	01.0849	260040	00.8982	260111	01.0399	260202	01.2818
250062	01.0571	250131	00.9039	260041	01.2439	260112	01.3426	260204	01.1465
250063	00.8514	250132	00.9181	260042	01.0781	260113	01.1922	260206	01.8795
250065	00.9596	250134	00.9914	260044	01.2397	260115	01.1364	260208	00.9200
250066	00.8853	250135	00.8655	260047	01.3175	260116	01.1823	260209	01.2308
250067	01.0037	250137	00.9220	260048	00.9834	260118	01.1998	260211	01.8795
250068	00.8525	250138	01.1530	260049	01.0728	260119	01.1890	260212	00.9200
250069	01.1887	250139	00.9011	260050	01.2381	260120	01.2145	260213	00.9142
250071	00.9373	250140	00.8162	260051	01.1458	260122	00.9822	260214	01.1149
250072	01.1306	250141	01.3098	260052	01.0982	260123	00.8809	260215	01.2272
250073	00.9881	250142	00.8655	260053	01.0982	260124	01.2728	260216	01.2248
250076	00.9618	250143	00.9128	260054	01.3017	260128	01.0491	260218	01.3496
250077	00.8807	250144	00.9128	260055	01.1407	260129	01.0361	260219	01.1128
250078	01.3631	250145	00.5215	260056	01.1883	260131	01.2410	260221	01.1128
250079	00.8171	260001	01.5180	260057	01.0016	260134	01.2186	260223	01.2556
250081	01.1687	260002	01.3147	260059	01.1239	260137	01.2280	260224	01.0998
250082	01.2022	260003	01.0025	260062	01.2438	260138	01.6624	260226	00.9805
250083	00.9329	260004	01.0469	260063	01.0780	260141	01.7796	260228	01.0033
250084	01.2016	260005	01.3489	260064	01.4900	260142	01.2728	260229	01.0778
250085	00.8807	260006	01.2671	260065	01.4916	260143	01.3214	260230	00.9698
250086	00.8554	260007	01.1918	260066	00.9916	260146	01.1893	260231	00.8844
250088	01.0298	260008	01.2912	260067	00.9692	260147	00.9898	260232	01.1395
250089	00.8595	260009	01.2072	260068	01.7348	260148	00.9524	260233	00.9136
250091	00.9573	260011	01.5032	260069	01.0517	260150	01.1071	260235	01.0136
250093	01.1717	260012	01.0071	260070	01.0517	260158	00.9808	260236	00.9257
250094	01.1842	260013	01.0882	260073	00.9574	260159	01.1071	260238	01.0275
250095	01.0866	260014	01.5675	260074	01.1993	260160	01.1570	260239	00.9698
250096	01.1118	260015	01.0618	260077	01.3942	260162	00.9975	260240	00.9698
250097	01.1824	260016	01.1045	260078	01.1004	260163	01.2139	260241	00.9698
250098	00.8057	260017	01.2541	260079	01.0254	260164	01.1017	260242	00.9698
		260018	00.9704	260080	01.0881	260165	01.0008	260243	00.9698
				260081	01.4061	260166	01.2325	260244	00.9698

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
: CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 13 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
270040	01.0639	280025	00.9492	280085	01.3433	290031	01.0640	310022	01.1715
270041	00.9670	280026	00.9989	280088	01.6394	290032	01.4386	310024	01.2000
270043	00.8579	280028	00.8318	280089	00.9958	290033	01.1134	310025	01.1454
270044	01.1536	280029	00.9802	280090	01.0248	300001	01.2758	310026	01.2397
270046	00.9289	280030	01.6458	280091	01.0843	300002	01.1132	310027	01.2239
270047	00.8563	280031	01.1461	280092	00.8400	300003	01.8162	310028	01.1561
270048	01.1467	280032	01.1731	280093	00.9295	300005	01.3777	310029	01.7241
270049	01.5043	280033	00.9881	280094	01.0490	300006	01.1325	310031	02.5228
270050	01.0245	280034	01.2436	280097	00.8020	300007	01.1580	310032	01.2210
270051	01.2391	280035	00.8092	280098	00.9803	300008	01.1914	310033	01.1571
270052	00.9714	280037	01.0239	280101	01.1061	300009	01.1616	310034	01.1453
270053	00.8452	280038	01.0356	280102	00.8996	300010	01.2519	310036	01.1888
270055	00.6613	280039	01.0633	280104	01.0159	300011	01.1968	310037	01.2224
270057	01.1333	280040	01.4836	280105	01.1719	300012	01.2730	310038	01.6168
270058	01.0245	280041	00.9803	280106	01.0085	300013	01.2074	310039	01.2407
270059	00.8728	280042	01.0556	280107	00.9989	300014	01.2728	310040	01.1927
270060	00.9334	280043	00.9704	280108	01.0091	300015	01.0353	310041	01.2395
270063	00.8877	280045	01.0209	280109	00.9012	300016	01.1486	310042	01.1252
270067	00.9086	280046	01.0893	280110	01.1043	300017	01.1355	310043	01.2316
270068	00.9025	280047	01.2071	280111	01.2337	300018	01.2436	310044	01.2420
270071	00.8461	280048	01.0374	280114	00.9835	300019	01.1693	310045	01.2286
270072	00.9129	280049	01.0137	280115	01.0361	300020	01.1872	310047	01.2612
270073	01.1078	280050	00.9867	280117	01.0434	300021	01.1086	310048	01.1684
270074	00.9282	280051	01.0816	280118	00.9894	300022	01.1242	310049	01.2519
270075	00.9125	280052	01.1203	280119	00.8446	300023	01.2229	310050	01.2108
270076	00.8088	280054	01.1728	280122	01.0289	300024	01.2571	310051	01.2487
270079	00.9605	280055	00.8782	280123	01.1142	300028	01.1467	310052	01.1561
270080	01.1111	280056	01.0023	280088	00.5300	300029	01.2741	310054	01.2698
270081	00.9798	280057	01.0687	290001	01.4216	300033	01.0407	310056	01.2009
270082	00.9201	280058	01.2002	290002	01.0369	300034	01.6624	310057	01.2222
270083	01.0415	280060	01.3831	290003	01.6015	300898	00.5300	310058	01.1998
270084	00.9527	280061	01.2840	290005	01.2241	310001	01.5217	310060	01.1878
270898	00.5329	280062	01.2024	290006	01.1453	310002	01.6787	310061	01.1505
280001	01.1341	280064	01.0700	290007	01.6507	310003	01.1909	310062	01.1374
280003	01.8246	280065	01.2082	290008	01.2153	310005	01.2459	310063	01.2882
280004	00.9444	280066	01.0502	290009	01.5480	310006	01.1575	310064	01.1843
280005	01.3875	280068	00.9192	290010	01.0989	310008	01.2908	310067	01.1833
280009	01.4732	280070	00.9745	290011	00.9831	310009	01.1520	310068	01.2145
280011	01.0342	280073	01.0234	290012	01.3674	310010	01.2104	310069	01.1050
280012	01.1624	280074	01.1506	290013	01.0183	310011	01.2162	310070	01.2404
280013	01.7061	280075	01.3381	290014	00.9819	310012	01.4340	310071	00.5052
280014	01.1425	280076	00.9649	290015	00.9929	310013	01.2561	310072	01.1741
280015	01.0603	280077	01.2767	290016	00.8895	310014	01.5116	310073	01.2375
280017	01.0353	280078	00.8126	290018	01.0709	310015	01.5090	310074	01.3061
280018	00.9478	280079	00.9230	290019	01.2438	310016	01.2094	310075	01.2458
280020	01.4536	280080	00.9855	290020	00.9889	310017	01.3335	310076	01.2578
280021	01.1476	280081	01.3686	290021	01.5071	310018	01.1097	310077	01.5630
280022	01.0513	280082	01.0994	290022	01.6253	310019	01.5381	310078	01.2438
280023	01.3816	280083	00.9777	290027	01.0517	310020	01.2035	310081	01.1412
280024	00.8378	280084	00.9737	290029	00.9139	310021	01.2191	310083	01.2987

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
310084	01.1652	320053	00.9668	330043	01.2590	330116	01.0043	330181	01.2471
310085	01.2163	320056	00.8669	330044	01.2244	330118	01.5220	330193	01.4391
310086	01.1767	320057	01.0438	330045	01.2361	330119	01.4122	330194	01.6219
310087	01.1757	320058	00.7941	330046	01.4693	330121	01.1306	330195	01.6538
310088	01.2074	320059	00.9998	330047	01.2670	330122	01.2372	330196	01.3720
310089	01.1937	320060	00.9254	330048	01.2353	330125	01.7045	330197	01.0348
310091	01.2273	320061	01.1767	330049	01.2870	330126	01.2096	330198	01.2594
310092	01.2468	320062	00.8494	330053	01.0710	330127	01.2049	330199	01.2256
310093	01.0942	320063	01.2052	330055	01.2525	330128	01.2686	330201	01.4722
310096	01.7036	320065	01.1648	330056	01.2457	330132	01.1209	330202	01.1852
310105	01.0958	320067	00.8926	330057	01.5400	330133	01.3066	330203	01.3887
310108	01.2179	320068	00.9191	330058	01.3357	330135	01.2540	330204	01.2247
310110	01.1815	320069	01.1160	330059	01.4639	330136	01.2466	330205	01.1266
310111	01.2343	320070	00.9330	330061	01.3208	330140	01.5845	330208	01.1606
310112	01.1488	320074	01.0323	330062	01.1396	330141	01.2021	330209	01.1796
310113	01.2482	320076	01.1265	330064	01.3288	330142	01.2584	330211	01.2191
310115	01.1534	320079	01.0575	330065	01.2142	330144	01.0245	330212	01.1812
310116	01.2289	330001	01.1614	330066	01.2226	330148	01.0243	330213	01.1333
310118	01.2072	330002	01.4512	330067	01.2323	330151	01.1189	330214	01.6444
310119	01.2890	330003	01.2696	330072	01.2768	330152	01.3771	330215	01.2007
310120	01.0565	330004	01.2410	330073	01.1888	330153	01.3344	330218	01.2112
310121	01.0342	330005	01.5556	330074	01.2233	330154	01.3623	330219	01.4717
320001	01.3719	330006	01.3553	330075	01.0821	330155	01.1615	330221	01.2858
320002	01.2338	330007	01.2399	330076	01.3583	330157	01.2561	330222	01.2207
320003	01.2373	330008	01.1434	330079	01.1630	330158	01.2760	330223	01.1160
320004	01.1789	330009	01.2235	330080	01.2751	330159	01.3289	330224	01.2773
320005	01.2745	330010	01.2053	330082	01.2165	330160	01.3785	330225	01.2369
320006	01.1726	330011	01.1707	330084	01.0036	330161	01.1239	330226	01.2611
320009	01.2597	330012	01.5851	330085	01.3555	330162	01.2313	330229	01.2381
320010	01.2795	330013	01.8581	330086	01.2067	330163	01.1486	330230	01.4484
320011	01.0206	330014	01.3108	330088	01.2071	330164	01.3682	330231	01.1479
320012	00.9770	330015	01.3794	330090	01.6344	330166	00.9738	330232	01.2319
320013	01.0513	330016	01.0352	330091	01.3183	330167	01.4261	330233	01.4974
320014	00.9306	330019	01.2514	330092	00.9795	330168	01.0485	330234	01.7909
320016	01.1018	330020	01.0436	330094	01.2878	330169	01.2966	330235	01.1973
320017	01.0814	330022	01.0077	330095	01.2339	330171	01.2546	330236	01.3073
320018	01.2095	330023	01.2409	330096	01.1478	330174	00.8075	330238	01.1395
320019	01.3876	330024	01.6141	330097	01.2254	330175	01.0637	330239	01.1374
320021	01.6276	330025	01.1314	330100	00.6812	330176	00.8885	330240	01.1411
320022	01.2071	330027	01.3910	330101	01.6185	330177	01.0883	330241	01.5912
320023	01.0509	330028	01.2682	330102	01.2365	330179	00.9181	330242	01.3435
320030	01.0876	330029	01.1449	330103	01.1603	330180	01.2498	330244	01.0424
320031	00.9343	330030	01.1434	330104	01.3741	330181	01.2487	330245	01.3228
320032	00.9449	330033	01.2718	330106	01.5394	330182	02.1356	330246	01.1461
320033	01.0900	330034	01.2685	330107	01.2704	330183	01.3819	330247	00.6033
320035	01.0572	330036	01.2729	330108	01.2914	330184	01.2821	330249	01.2225
320037	01.2227	330037	01.1108	330110	01.0013	330185	01.1798	330250	01.2499
320038	01.1331	330038	01.0942	330111	01.1111	330186	01.1511	330252	00.9262
320046	00.9847	330039	00.9062	330114	01.0160	330188	01.1440	330254	01.0330
320048	01.3318	330041	01.4421	330115	01.1825	330189	00.7955	330258	01.3407

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 15 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
330259	01.2110	330373	00.5680	340039	01.2102	340112	00.9532	350006	01.3278
330261	01.2566	330381	01.2107	340040	01.6913	340113	01.9136	350007	00.9801
330263	01.0703	330383	01.3047	340041	01.2319	340114	01.9724	350008	00.9467
330264	01.1423	330385	01.2349	340042	01.2403	340115	01.3178	350009	01.1896
330265	01.2705	330386	01.3286	340044	01.0237	340116	01.6314	350010	01.1046
330267	01.2239	330387	00.8865	340045	00.9350	340118	01.2207	350011	01.7054
330268	01.1185	330389	01.7328	340047	01.7384	340120	01.0783	350012	01.0155
330270	01.9193	330390	01.1216	340048	00.8489	340121	01.0232	350013	01.0328
330273	01.2002	330393	01.5348	340050	01.2018	340122	01.0150	350014	01.0545
330275	01.1922	330394	01.3493	340051	01.2750	340123	01.1888	350015	01.6325
330278	01.2859	330395	01.3523	340052	00.8695	340124	01.0992	350016	01.0675
330277	01.1044	330396	01.1624	340053	01.5778	340125	01.4818	350017	01.2500
330279	01.2332	330397	01.3693	340054	01.1034	340126	01.2628	350018	00.9913
330281	00.5963	330398	01.2825	340055	01.1874	340127	01.2064	350019	01.5122
330285	01.6682	330399	01.3693	340060	01.1921	340128	01.1189	350020	01.3039
330286	01.2978	340001	01.2478	340061	01.5369	340130	01.3026	350021	01.0570
330288	01.1169	340002	01.7474	340063	01.1157	340131	01.3584	350022	00.9829
330280	01.4925	340003	01.1471	340064	01.0902	340132	01.3414	350023	00.9870
330293	01.1371	340004	01.3508	340065	01.1043	340133	01.1853	350025	01.0170
330304	01.2192	340005	01.2056	340067	01.1145	340135	01.1408	350027	01.0082
330306	01.3578	340006	01.1719	340068	01.2732	340136	01.0276	350028	00.9285
330307	01.1561	340007	01.1184	340069	01.7081	340137	01.2852	350030	01.0847
330308	01.3391	340008	01.2499	340070	01.2933	340138	01.2332	350032	00.9832
330309	01.2335	340009	01.1668	340071	01.0736	340141	01.4805	350033	00.9518
330314	01.2045	340010	01.2633	340072	01.0531	340142	01.1569	350035	00.8840
330315	01.1562	340011	01.0051	340073	01.2870	340143	01.2397	350036	00.9014
330316	01.2442	340012	01.0507	340075	01.2042	340144	01.2244	350038	00.9367
330327	00.9333	340013	01.2270	340076	01.0184	340145	01.2586	350039	00.8220
330331	01.2326	340014	01.5409	340080	01.0878	340146	01.0203	350042	00.8004
330332	01.2516	340015	01.2753	340084	01.0154	340147	01.2586	350043	01.1953
330333	01.2835	340016	01.1368	340085	01.2422	340148	01.3260	350044	00.8958
330335	01.0161	340017	01.1998	340087	01.1439	340151	01.1398	350047	01.0511
330336	01.2578	340018	01.1485	340088	01.1424	340153	01.8641	350049	01.1179
330338	01.1729	340019	01.1211	340089	00.9623	340154	00.9175	350050	00.9800
330339	00.9881	340020	01.2005	340090	01.1275	340155	01.4579	350051	00.9949
330340	01.0850	340021	01.2262	340091	01.6022	340156	00.8427	350053	01.0001
330350	01.6727	340022	01.0837	340093	01.0818	340158	01.0915	350055	00.8671
330351	01.1294	340023	01.3125	340094	01.3835	340159	01.2054	350056	00.8531
330353	01.2181	340024	01.2668	340096	01.1365	340160	01.0581	350058	00.9941
330354	01.1498	340025	01.1263	340097	01.0134	340162	01.3278	350060	00.9174
330357	01.2794	340027	01.1213	340098	01.5051	340164	01.2674	350061	01.0351
330359	00.9517	340028	01.3414	340099	01.1277	340166	01.3724	350063	00.8747
330362	00.7339	340030	01.7124	340100	01.2284	340167	00.6119	350064	00.8220
330363	00.6983	340031	01.0540	340101	00.9787	340168	00.5473	350065	01.0028
330366	00.6713	340032	01.3102	340104	00.8755	340169	00.5283	350066	00.8568
330367	00.6319	340034	01.2627	340105	01.3492	350001	01.0727	350067	00.8428
330368	00.6418	340035	01.1062	340106	01.0823	350002	01.6605	350068	00.5300
330369	00.6512	340036	01.0765	340107	01.2553	350003	01.0916		
330371	00.7232	340037	01.1408	340109	01.3045	350004	01.8656		
330372	01.1991	340038	01.2113	340111	01.1800	350005	01.0912		

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
CASE MIX INDEXES INCLUDE CASES RECEIVED IN MCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 16 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
360001	01.1843	360057	00.9216	360113	01.2398	360170	01.0585
360002	01.1340	360058	01.0969	360114	01.1038	360172	01.2959
360003	01.4175	360059	01.3582	360115	01.1837	360174	01.1317
360006	01.6145	360061	00.9928	360116	01.1564	360175	01.1564
360007	01.1101	360062	01.4253	360118	01.2342	360176	01.1740
360008	01.1850	360063	01.0751	360119	01.1028	360177	01.1221
360009	01.2288	360064	01.4153	360120	01.0236	360178	01.1547
360010	01.1816	360065	01.2180	360121	01.1157	360179	01.2670
360011	01.2553	360066	01.2256	360122	01.2991	360180	01.8911
360012	01.3186	360067	01.2526	360123	01.1589	360184	00.7221
360013	01.0685	360068	01.3480	360124	01.1446	360185	01.1900
360014	01.1460	360069	01.0309	360125	01.1122	360186	01.0872
360015	01.3996	360070	01.2556	360126	01.1852	360187	01.3309
360016	01.3779	360071	01.1770	360127	00.9850	360188	01.0142
360017	01.6510	360072	01.2376	360128	01.0575	360189	01.1240
360018	01.3039	360074	01.2810	360129	01.0520	360192	01.1764
360019	01.1750	360075	01.3935	360130	01.1168	360193	01.2103
360020	01.2270	360076	01.2232	360131	01.2552	360194	01.1039
360021	01.2199	360077	01.3663	360132	01.1832	360195	01.1597
360024	01.2117	360078	01.2304	360133	01.3766	360197	01.0795
360025	01.1606	360079	01.5531	360134	01.4701	360200	01.1918
360026	01.1297	360080	01.1903	360135	01.1178	360203	01.1262
360027	01.4689	360081	01.2315	360136	01.0587	360204	01.2058
360028	01.2187	360082	01.3104	360137	01.4458	360210	01.1838
360029	01.0680	360083	01.2116	360139	01.0390	360211	01.0911
360030	01.1533	360084	01.4254	360140	01.0559	360212	01.4256
360031	01.1807	360085	01.6088	360141	01.3384	360213	01.0641
360032	01.1394	360086	01.2884	360142	01.0518	360218	01.2894
360034	01.0849	360087	01.2962	360143	01.1676	360230	01.2899
360035	01.4039	360088	01.1707	360144	01.2869	360231	01.0812
360036	01.1596	360089	01.0689	360145	01.4777	360232	01.0749
360037	01.7089	360090	01.1950	360147	01.2242	360234	01.2263
360038	01.4241	360091	01.3436	360148	01.1559	360236	01.1347
360039	01.1930	360092	01.1421	360149	01.0901	360238	00.9775
360040	01.2069	360093	01.1288	360150	01.2498	360239	01.1933
360041	01.2038	360094	01.1831	360151	01.2485	360240	00.7381
360042	01.1214	360095	01.2556	360152	01.4375	360241	00.6750
360044	01.0673	360096	01.0962	360153	01.1845	370001	01.6757
360045	01.3852	360098	01.2967	360154	01.0272	370002	01.2055
360046	01.0644	360099	01.0825	360155	01.1659	370004	01.0500
360047	01.0637	360100	01.2577	360156	01.1321	370005	00.9597
360048	01.6182	360101	01.5092	360159	01.1631	370006	01.2367
360049	01.2409	360102	01.2202	360161	01.2472	370007	01.1425
360050	01.2505	360103	01.2732	360162	01.1847	370008	01.2110
360051	01.4032	360104	00.9095	360163	01.6079	370011	00.9300
360052	01.5080	360106	01.2120	360164	01.0800	370012	00.9230
360053	01.2263	360107	01.0632	360165	01.0459	370013	01.3400
360054	01.2672	360108	01.0738	360166	01.0237	370014	01.1914
360055	01.1693	360109	01.0424	360168	00.8680	370015	01.0944
360056	01.2619	360112	01.4851	360169	01.0335	370016	01.2709

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 17 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
370085	00.8982	370173	01.0793	380048	00.9964	390018	01.2191
370086	01.0937	370174	00.9278	380050	01.3307	390019	01.0899
370089	01.2867	370176	01.2318	380051	01.3662	390021	01.0635
370091	01.4884	370177	00.9368	380052	01.1965	390022	01.2418
370092	01.0639	370178	00.9991	380055	01.1698	390023	01.1187
370093	01.5002	370179	00.9780	380056	01.0076	390024	00.7880
370094	01.2215	370180	01.0504	380059	00.9135	390025	00.8008
370095	00.9467	370182	01.0116	380060	01.3242	390026	01.3170
370097	01.2667	370183	01.1389	380061	01.5228	390027	01.6102
370099	01.1392	370184	01.0247	380062	00.8853	390028	01.6791
370100	01.0248	370186	00.9679	380063	01.2350	390029	01.5365
370103	00.9635	370189	00.9542	380064	01.2682	390030	01.1493
370105	01.8545	370898	00.5215	380065	01.0607	390031	01.1307
370106	01.2997	380001	01.3566	380066	01.0878	390032	01.2223
370107	01.0583	380002	01.2041	380068	01.0937	390033	00.6795
370108	00.9455	380003	01.1706	380069	01.1209	390034	00.6795
370110	00.9756	380004	01.7608	380070	01.0266	390035	01.3217
370112	00.9664	380005	01.1507	380071	01.2256	390036	01.2332
370113	01.1060	380006	01.2401	380072	00.9411	390037	01.2233
370114	01.5081	380007	01.7340	380075	01.3649	390039	01.0778
370117	01.1330	380008	01.0515	380078	01.1761	390040	00.9543
370121	00.2905	380009	01.5922	380081	01.1387	390041	01.1706
370122	00.9565	380010	01.1351	380082	01.3048	390042	01.1918
370123	01.1112	380011	01.1327	380083	01.1349	390043	01.1019
370125	00.9685	380013	01.1703	380084	01.4256	390044	01.4617
370126	01.1630	380014	01.2713	380087	01.0638	390045	01.2513
370131	00.9743	380017	01.7236	380088	00.9572	390046	01.3778
370133	01.1045	380018	01.8508	380089	01.3010	390047	01.4479
370138	01.1116	380019	01.1687	380090	01.3389	390048	01.1484
370139	00.9648	380020	01.3642	380091	01.1771	390049	01.4484
370140	00.9896	380021	01.3057	380094	01.0532	390050	01.8058
370141	01.4118	380022	01.1924	380096	00.9214	390051	01.9918
370144	01.0439	380023	01.3289	380098	00.5283	390052	01.1219
370146	00.9485	380024	01.3020	390001	01.2251	390053	01.1642
370148	01.3109	380025	01.2589	390002	01.1987	390054	01.5791
370149	01.1985	380026	01.3429	390003	01.1558	390055	01.1203
370153	01.1013	380027	01.2556	390004	01.2601	390056	01.2876
370154	00.9775	380029	01.0887	390005	01.1258	390057	01.2876
370156	01.0571	380030	00.8109	390006	01.5998	390058	01.2882
370157	00.9735	380031	00.9898	390007	01.1820	390059	01.3250
370158	01.0367	380033	01.5886	390008	01.0981	390060	01.1968
370159	01.1324	380035	01.3015	390009	01.4165	390061	01.2771
370161	01.0516	380036	01.0507	390010	01.1109	390062	01.1544
370163	00.8783	380037	01.3354	390011	01.1717	390063	01.5355
370165	01.0736	380038	01.2434	390012	01.2277	390064	01.3502
370166	01.0858	380039	01.3782	390013	01.1999	390065	01.2533
370169	01.0086	380040	01.2683	390014	00.6305	390066	01.2918
370170	00.9769	380042	01.1460	390015	01.1230	390067	01.4858
370171	00.9867	380045	01.1257	390016	01.1608	390068	01.2615
370172	00.8904	380047	01.5454	390017	01.0446	390069	01.2267
						390070	01.1973
						390071	01.0945

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 18 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
390132	01.0524	390191	01.0862	390265	01.2134	400103	01.4205	420030	01.1519
390133	01.3367	390192	01.1024	390266	01.1372	400104	01.1988	420031	01.0055
390135	01.2378	390193	01.2393	390267	01.2181	400105	01.2736	420032	00.8964
390136	01.2083	390194	01.0691	390268	01.1863	400106	01.0474	420033	01.1834
390137	01.1823	390195	01.4555	390270	01.2687	400109	01.3932	420035	00.8337
390138	01.2729	390196	01.2462	390272	00.5595	400110	01.2232	420036	01.2809
390139	01.4315	390197	01.2737	390273	00.5834	400111	01.1910	420037	01.2748
390142	01.6403	390198	01.2185	390277	01.4314	400112	01.2351	420038	01.0984
390143	00.8101	390199	01.2797	390278	00.7828	400114	01.1823	420039	01.1086
390145	01.1930	390200	01.0154	390278	00.5300	400114	01.0307	420040	01.2267
390146	01.1608	390201	01.2856	400001	01.1119	400115	01.0519	420042	01.0886
390147	01.1968	390203	01.2634	400002	01.2883	400116	01.0815	420043	01.1328
390148	01.1262	390204	01.2392	400003	01.1161	400117	01.1486	420044	01.2040
390149	01.2343	390205	01.2307	400004	01.1473	400118	01.1952	420048	01.0562
390150	01.2052	390206	01.2962	400005	01.0462	400120	01.2910	420049	01.0694
390151	01.2709	390209	01.0004	400006	01.1784	410001	01.2739	420051	01.4450
390152	01.0035	390211	01.1558	400007	01.0846	410002	01.1741	420053	01.1327
390153	01.1709	390213	00.8977	400008	01.1050	410004	01.3330	420054	01.1000
390154	01.1187	390215	01.2015	400009	00.9774	410005	01.2821	420055	01.0381
390155	01.2805	390217	01.1327	400010	01.0300	410006	01.2042	420056	01.1087
390156	01.3503	390219	01.2135	400011	01.0615	410007	01.4839	420057	01.0785
390157	01.1572	390220	01.1853	400012	00.9681	410008	01.1480	420059	01.0665
390158	01.2269	390222	01.2212	400013	00.9176	410009	01.2776	420061	01.2562
390159	01.2135	390223	01.0555	400014	01.3554	410010	00.9279	420062	01.1626
390160	01.1779	390224	00.9834	400015	01.1382	410011	01.1799	420064	01.1213
390161	01.0914	390225	01.2549	400016	01.2851	410012	01.5348	420065	01.2515
390162	01.2404	390226	01.4983	400017	01.0622	410013	01.1841	420066	01.0216
390163	01.1510	390228	01.2193	400018	01.2240	410016	00.9134	420067	01.1023
390164	01.6490	390229	01.3862	400019	01.1483	410088	00.5215	420068	01.1627
390165	01.0831	390231	01.3023	400021	01.2824	420002	01.3053	420069	01.0179
390166	01.1491	390232	01.0953	400022	01.2855	420003	00.9367	420070	01.2346
390167	01.2293	390233	01.2527	400024	01.0267	420004	01.7692	420071	01.2691
390168	01.1205	390234	01.2904	400026	00.9546	420005	01.0716	420072	00.9965
390169	01.2387	390235	01.7731	400027	01.0615	420006	01.3312	420073	01.3332
390170	01.5595	390236	01.1599	400028	01.0310	420007	01.4377	420074	00.9087
390171	01.1166	390237	01.4884	400029	01.0307	420009	01.2773	420075	01.0718
390172	01.1709	390238	00.9673	400031	01.0296	420010	01.0745	420076	01.0945
390173	01.1254	390242	01.2223	400032	01.1660	420011	01.0768	420078	01.5238
390174	01.4840	390244	00.8910	400037	00.8608	420014	01.1091	420079	01.5101
390176	01.1659	390245	01.2547	400038	00.9561	420015	01.1973	420080	01.1427
390178	01.3462	390246	01.2061	400044	01.1486	420016	01.1219	420081	00.5662
390179	01.2457	390247	01.1015	400048	01.1546	420018	01.5426	420082	01.3059
390180	01.2837	390249	01.0511	400061	01.7838	420019	01.1587	420083	01.1880
390181	01.0687	390252	00.7808	400079	01.1509	420020	01.1505	420084	00.7840
390183	01.1013	390256	01.5788	400087	01.2200	420022	01.0748	420085	01.2190
390184	01.2067	390258	01.1966	400088	00.7537	420023	01.2448	420086	01.2809
390185	01.1763	390260	01.1865	400089	01.0902	420026	01.7710	420087	01.3610
390186	01.0733	390261	01.7383	400094	00.9455	420027	01.2151	420088	01.1426
390187	01.1222	390262	01.6675	400098	01.2401	420028	01.0289	420089	01.2464
390189	01.1162	390263	01.5019	400102	01.1424	420029	01.8168	420098	00.6005

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.

: CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991



TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 19 OF 23

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
420899	00.5215	430079	00.9712	440053	01.1607	440141	00.8999	450005	01.0185
430004	01.1487	430080	00.9747	440054	00.9622	440142	00.9712	450007	01.2814
430005	01.2754	430081	01.0600	440056	00.9679	440143	00.9836	450008	01.2270
430007	01.1525	430082	00.9169	440057	00.9755	440144	01.1930	450010	01.2234
430008	01.1917	430083	00.8012	440058	01.1863	440145	01.0159	450011	01.5515
430009	01.1582	430084	00.9252	440059	01.0823	440146	01.1775	450014	01.0830
430010	01.0974	430085	00.9740	440060	01.1409	440147	00.8651	450015	01.3682
430011	01.2295	430086	00.8276	440061	01.1038	440148	01.0610	450016	01.8574
430012	01.2529	430087	00.9725	440063	01.3006	440149	01.1416	450018	01.5573
430013	01.1525	430088	00.9775	440064	00.9559	440150	01.2835	450020	01.1257
430014	01.2399	440001	01.0144	440065	01.0729	440151	01.1378	450021	01.6202
430015	01.0418	440002	01.4206	440067	01.1428	440152	01.4736	450023	01.4171
430016	01.6323	440003	01.1511	440068	01.1566	440153	00.9515	450024	01.2581
430017	01.0838	440006	01.3726	440069	01.1499	440154	00.7258	450025	01.4163
430018	00.9402	440007	01.0072	440070	00.9123	440156	01.3737	450027	01.1587
430022	00.9433	440008	01.0314	440071	01.3179	440157	01.0574	450028	01.3312
430023	00.9196	440009	01.0336	440072	01.2801	440159	01.1451	450029	01.1934
430024	01.0435	440010	00.9468	440073	01.2937	440160	01.0381	450031	01.1755
430025	00.9263	440011	01.2294	440074	00.9233	440161	01.5490	450032	01.1302
430026	00.8974	440012	01.2253	440078	00.9747	440162	01.1063	450033	01.5659
430027	01.6207	440014	00.9386	440079	00.8571	440166	01.2174	450034	01.5100
430028	01.0633	440015	01.4856	440081	01.1410	440167	01.1345	450035	01.4647
430029	00.9052	440016	00.9727	440082	01.7672	440168	01.0206	450037	01.4550
430031	00.9825	440017	01.3692	440083	01.2392	440170	01.2771	450039	01.0991
430033	01.0071	440018	01.2549	440084	01.0731	440173	01.3812	450040	01.5658
430034	01.1347	440019	01.5075	440087	00.9692	440174	00.9077	450041	00.9865
430036	01.0667	440020	01.1798	440090	01.0361	440175	01.1068	450042	01.5442
430037	00.9811	440022	01.0855	440091	01.4213	440176	01.1665	450043	01.4031
430038	01.0546	440023	00.9670	440095	01.0187	440177	00.9336	450044	01.4357
430039	01.0040	440024	01.0968	440100	01.0877	440178	01.2247	450046	01.4307
430040	00.9556	440025	01.0874	440102	01.0398	440180	01.0782	450047	01.1029
430041	00.9685	440026	01.1539	440103	01.2786	440181	00.9722	450048	01.1534
430042	00.9930	440029	01.2052	440104	01.4320	440182	00.9926	450050	01.1495
430043	01.2050	440030	01.0218	440105	01.1585	440183	01.3964	450051	01.5952
430044	00.8716	440031	01.0563	440109	01.0352	440185	01.1160	450052	01.0493
430047	01.2049	440032	00.9829	440110	01.1023	440186	01.0594	450053	01.1769
430048	01.1064	440033	01.1334	440111	01.1476	440188	01.0594	450054	01.5203
430049	00.9281	440034	01.3188	440114	01.1055	440187	01.0215	450055	01.1004
430051	01.0041	440035	01.1629	440115	01.0846	440189	01.4179	450056	01.4844
430054	00.9212	440038	00.9230	440120	01.4354	440192	00.9584	450057	01.1821
430056	00.8127	440039	01.5636	440121	01.1569	440193	01.1395	450058	01.4503
430057	00.8979	440040	00.9474	440125	01.3643	440194	01.2111	450059	01.2708
430060	00.8734	440041	00.8907	440128	01.0155	440196	01.0300	450060	01.2122
430062	00.8964	440046	01.0284	440130	01.1335	440197	01.2568	450063	00.9314
430064	01.0347	440047	00.9531	440131	01.1058	440200	01.0781	450064	01.4381
430065	00.9298	440048	01.5372	440132	00.9706	440203	01.0461	450065	01.0949
430066	00.9806	440049	01.5977	440133	01.4879	440205	00.9663	450068	01.5340
430073	01.0611	440050	01.1183	440135	01.2083	440898	00.5283	450070	01.1527
430076	00.9643	440051	00.9085	440136	01.2903	450002	01.3495	450072	01.2050
430077	01.3706	440052	01.0789	440137	01.1039	450004	01.0615	450073	01.0546

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.

: CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
450074	01.1186	450147	01.2868	450221	01.0217	450330	01.1308	450451	01.1126
450076	01.1547	450148	01.3410	450222	01.5402	450331	00.9664	450451	01.1126
450077	00.9270	450149	01.3673	450224	01.0594	450334	01.0323	450457	01.5197
450078	01.0171	450150	00.8492	450229	01.4117	450337	01.1400	450460	01.0419
450079	01.4449	450151	01.0758	450231	01.8377	450340	01.1202	450462	01.3979
450080	01.2360	450152	01.3823	450233	01.0612	450341	00.9581	450464	00.9144
450081	01.1793	450153	01.4344	450234	00.8724	450346	01.3075	450465	01.1376
450082	01.0147	450154	01.2068	450235	01.0874	450347	01.2477	450467	01.0187
450083	01.4638	450155	01.1456	450236	01.1667	450348	00.9786	450469	01.0158
450085	01.0476	450157	00.9999	450237	01.4679	450349	01.2092	450472	01.1152
450087	01.2886	450160	00.8848	450239	01.1424	450351	01.2886	450473	01.1288
450090	01.1848	450162	01.5013	450241	00.8939	450352	01.1592	450475	01.1288
450092	01.2117	450163	01.1975	450243	01.0217	450353	01.1592	450476	00.9588
450094	01.3121	450164	00.9058	450246	01.0138	450355	00.8949	450478	01.4291
450096	01.4170	450165	00.9528	450249	00.9287	450358	01.8388	450486	01.0006
450097	01.3378	450168	00.9857	450250	00.8847	450362	00.9933	450488	01.1070
450098	01.1587	450169	00.8740	450253	01.1208	450365	00.8313	450489	01.0345
450099	01.1387	450170	01.1631	450256	01.0280	450366	01.6580	450492	00.8598
450101	01.3517	450175	01.2664	450258	01.0772	450369	01.1771	450497	01.1287
450102	01.5631	450176	01.2554	450259	01.2949	450370	01.1927	450498	00.9958
450104	01.2704	450177	01.0953	450264	00.8579	450371	01.1580	450508	01.4797
450107	01.4067	450178	01.0315	450268	01.1889	450372	01.3177	450514	01.1034
450108	01.0174	450179	00.9999	450269	00.9290	450373	01.1644	450517	00.9618
450109	00.9681	450181	00.9561	450270	01.1092	450374	00.8368	450518	01.2598
450110	01.2139	450183	01.1893	450271	01.1234	450376	01.4616	450523	01.4419
450111	01.2101	450184	01.3892	450272	01.1748	450378	01.3338	450530	01.3081
450112	01.2129	450185	01.1092	450275	01.0067	450379	01.5227	450534	01.0313
450113	01.1869	450187	01.2322	450276	01.1232	450381	00.8079	450535	01.2811
450115	01.1110	450188	00.9803	450278	00.9435	450382	01.5551	450537	01.3080
450118	01.4464	450190	01.2463	450280	01.2632	450389	01.2698	450538	01.1784
450119	01.2339	450191	01.0833	450283	01.0802	450393	01.2580	450539	01.3123
450121	01.3110	450192	01.0688	450286	01.0702	450394	01.1733	450544	01.2611
450123	01.0543	450193	02.1113	450288	01.1735	450395	01.0790	450545	01.3148
450124	01.4544	450194	01.1329	450289	01.2936	450399	01.1265	450548	01.3348
450126	01.1794	450195	01.4029	450292	01.2067	450400	01.1420	450547	00.9831
450127	00.9178	450196	01.1841	450293	00.9751	450403	01.2351	450550	01.1323
450128	01.2324	450197	01.2129	450296	01.1720	450410	01.0975	450551	01.1024
450130	01.3791	450200	01.2371	450297	01.0198	450411	01.0487	450557	01.0389
450131	01.1592	450201	01.0007	450299	01.4171	450417	01.0149	450558	01.7982
450132	01.4889	450203	01.2022	450303	00.8093	450418	01.3823	450559	00.9039
450133	01.4083	450207	01.2221	450306	01.0442	450419	01.2953	450561	01.4441
450135	01.5305	450208	01.2260	450307	01.1085	450422	00.7786	450563	01.1968
450137	01.2395	450209	01.2475	450309	01.0429	450423	01.4069	450565	01.2049
450140	00.9825	450210	01.0270	450315	01.2633	450424	01.2113	450570	00.9896
450141	01.0682	450211	01.2804	450320	01.2989	450429	00.9946	450571	01.4360
450142	01.3447	450213	01.3565	450321	00.9249	450431	01.4418	450573	01.0719
450143	01.0136	450214	01.3235	450322	00.8789	450438	01.0727	450574	01.1084
450144	01.1624	450217	00.8293	450324	01.5419	450446	00.8425	450575	00.9276
450145	01.0480	450218	00.9643	450325	01.2957	450447	01.2990	450578	01.0053
450146	01.0811	450219	01.1501	450327	01.0501	450450	01.0704	450580	01.1807
								450583	00.9928

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.

CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
450584	01.2852	450669	01.3467	450743	01.3445	460033	00.8510	490024	01.5799	490027	01.0906
450586	01.1308	450670	01.1914	450744	00.9510	460035	00.8376	490028	01.2402	490029	01.1174
450587	01.1558	450672	01.5102	450745	00.7559	460036	00.9342	490030	01.2739	490031	01.0361
450590	00.9591	450673	00.9177	450746	00.9560	460037	00.9668	490032	01.5489	490033	01.2213
450591	01.1552	450674	00.8529	450747	01.1701	460039	00.9627	490034	01.1458	490035	01.1056
450595	01.1972	450675	01.2571	450748	01.0482	460041	01.2026	490036	01.2677	490037	01.1056
450597	01.0858	450677	01.2532	450749	01.0482	460042	01.3542	490038	01.3114	490039	01.1898
450600	00.9375	450678	01.4268	450750	00.9573	460043	01.2311	490040	01.1898	490041	01.1898
450603	00.7851	450681	01.5297	450751	01.1611	460044	01.2005	490042	01.2348	490043	01.1774
450604	01.2221	450682	01.2623	450753	01.1258	460045	00.9775	490044	01.2572	490045	01.1172
450605	01.2820	450683	01.2919	450754	00.8965	460046	00.9775	490046	01.3460	490047	01.1891
450607	00.8885	450684	01.3653	450755	00.9860	460047	01.6773	490048	01.2539	490049	01.2515
450609	00.9927	450685	01.3653	450757	00.9426	460048	00.5300	490050	01.2515	490051	01.1841
450610	01.3362	450686	01.3335	450758	01.5637	470001	01.1339	490052	01.3907	490053	01.0918
450614	01.0097	450688	01.1845	450759	00.9913	470003	01.8109	490054	01.2137	490055	01.0918
450615	00.9626	450689	01.2748	450760	01.2580	470004	01.1891	490056	01.0759	490057	01.0878
450617	01.2828	450690	01.2748	450761	00.8614	470005	01.2102	490058	01.5090	490059	01.0878
450620	01.1242	450691	01.4154	450763	01.0885	470006	01.1879	490060	01.0878	490061	01.0878
450623	01.1304	450694	01.1189	450764	01.7831	470008	01.1639	490062	01.0878	490063	01.0878
450625	00.9627	450696	01.0769	450765	01.0274	470010	01.0035	490064	01.0878	490065	01.0878
450628	00.9868	450697	01.4300	450766	01.4640	470011	01.1937	490066	01.0878	490067	01.0878
450630	01.5996	450698	00.8446	450767	00.9168	470012	01.2816	490068	01.0878	490069	01.0878
450631	01.6227	450700	00.8967	450768	01.1837	470013	01.0920	490070	01.0878	490071	01.0878
450632	00.9805	450702	01.2562	460001	01.5510	470015	01.1978	490072	01.0878	490073	01.0878
450633	01.5058	450703	01.2781	460003	01.4222	470016	01.0923	490074	01.0878	490075	01.0878
450634	01.2495	450704	01.2402	460004	01.5807	470018	01.1267	490076	01.0878	490077	01.0878
450637	01.1767	450705	00.8119	460005	01.2815	470020	00.9332	490078	01.0878	490079	01.0878
450638	01.4513	450706	01.2459	460006	01.3371	470023	01.2265	490080	01.0878	490081	01.0878
450639	01.5250	450709	01.2060	460007	01.3371	470024	01.1207	490082	01.0878	490083	01.0878
450641	00.8941	450711	01.5302	460008	01.2577	480001	01.1272	490084	01.0878	490085	01.0878
450643	01.1876	450712	00.6316	460009	01.7371	480002	01.0504	490086	01.0878	490087	01.0878
450644	01.7821	450713	01.2340	460010	01.9546	480003	00.6214	490088	01.0878	490089	01.0878
450646	01.3489	450715	01.3548	460011	01.2516	480004	01.1545	490090	01.0878	490091	01.0878
450647	01.9701	450716	01.1744	460013	01.3383	480005	01.4040	490092	01.0878	490093	01.0878
450648	01.1290	450717	01.2869	460014	01.0098	480006	01.1839	490094	01.0878	490095	01.0878
450649	01.0034	450718	01.1145	460015	01.2417	480007	01.8021	490096	01.0878	490097	01.0878
450651	01.6675	450719	01.2291	460016	00.9088	480008	01.1147	490098	01.0878	490099	01.0878
450652	00.9088	450723	01.2775	460017	01.2061	480009	01.5788	490100	01.0878	490101	01.0878
450653	01.2315	450724	01.2258	460018	00.9298	480010	01.2488	490102	01.0878	490103	01.0878
450654	00.9446	450725	00.9363	460019	00.9811	480011	01.2321	490104	01.0878	490105	01.0878
450656	01.2561	450726	00.8831	460020	01.0179	480012	01.0474	490106	01.0878	490107	01.0878
450658	01.0353	450727	01.0116	460021	01.3764	480013	01.1407	490108	01.0878	490109	01.0878
450659	01.3570	450728	00.8652	460022	00.9712	480014	01.5033	490110	01.0878	490111	01.0878
450660	01.4869	450729	00.8572	460023	01.0832	480015	01.3629	490112	01.0878	490113	01.0878
450661	01.2460	450730	01.3773	460024	00.9891	480017	01.2606	490114	01.0878	490115	01.0878
450662	01.2623	450732	01.1311	460025	00.8826	480018	01.1405	490116	01.0878	490117	01.0878
450665	00.9836	450733	01.3573	460026	00.8672	480019	01.1198	490118	01.0878	490119	01.0878
450666	01.1961	450734	01.1291	460027	00.9252	480020	01.0754	490120	01.0878	490121	01.0878
450667	01.0609	450735	00.8623	460029	00.9706	480021	01.3392	490122	01.0878	490123	01.0878
450668	01.4438	450737	00.5859	460030	01.0509	480022	01.1828	490124	01.0878	490125	01.0878
		450742	00.2861	460032	00.9562	480023	01.2187	490126	01.0878	490127	01.0878

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX	PROVIDER	CASE MIX
500028	00.9354	500029	00.9645	500030	01.3000	500031	01.2273	500032	01.2670	500033	01.2273	500034	00.9970
500035	01.4890	500036	01.2374	500037	01.2233	500038	01.2866	500039	01.2063	500040	01.2610	500041	01.2806
500042	01.2610	500043	01.2463	500044	01.9311	500045	01.2282	500046	00.9254	500047	01.2375	500048	00.9949
500050	01.3042	500051	01.6904	500052	01.2317	500053	01.2321	500054	01.7829	500055	00.9945	500056	01.2513
500057	01.2109	500058	01.1245	500059	01.1771	500060	01.1889	500061	01.1886	500062	01.0294	500063	01.5362
500064	01.5362	500065	01.1539	500066	01.0434	500067	01.0413	500068	01.3166	500069	01.2108	500070	01.0363
500071	01.3166	500072	01.2108	500073	01.0363	500074	01.1138	500075	01.2317	500076	01.2354	500077	01.2439
500078	01.2439	500079	01.2052	500080	01.0329	500081	00.9835	500082	01.1563	500083	01.0046	500084	00.9835
500085	01.0046	500086	01.1252	500087	01.1146	500088	00.9775	500089	00.8224	500090	00.9234	500091	00.9234
500092	01.1820	500093	01.1292	500094	00.9380	500095	00.9972	500096	00.9972	500097	00.9972	500098	00.9972
500099	00.9380	500100	01.2670	500101	01.2806	500102	00.9040	500103	01.2328	500104	01.2328	500105	00.9047
500106	00.9378	500107	00.9378	500108	01.6175	500109	01.2217	500110	00.9746	500111	00.9746	500112	01.1337
500113	00.9746	500114	00.9746	500115	01.1337	500116	01.2586	500117	01.2289	500118	01.2289	500119	01.2289
500120	00.9310	500121	00.9310	500122	00.9310	500123	01.0284	500124	01.3035	500125	00.9310	500126	00.9310
500127	00.9310	500128	00.9310	500129	00.9310	500130	01.0284	500131	01.3035	500132	00.9310	500133	01.0284
500134	00.9310	500135	01.1385	500136	00.5607	500137	01.8437	500138	01.8437	500139	01.8437	500140	01.8437
500141	01.3017	500142	00.8633	500143	01.3017	500144	00.8633	500145	01.3017	500146	00.8633	500147	01.3017
500148	00.5215	500149	01.4873	500150	01.4873	500151	01.4873	500152	01.4873	500153	01.4873	500154	01.4873
500155	01.2975	500156	00.9436	500157	01.2975	500158	00.9436	500159	01.2975	500160	00.9436	500161	01.2975
500162	00.9436	500163	00.9436	500164	00.9436	500165	00.9436	500166	00.9436	500167	00.9436	500168	00.9436
500169	00.9436	500170	00.9436	500171	00.9436	500172	00.9436	500173	00.9436	500174	00.9436	500175	00.9436
500176	00.9436	500177	00.9436	500178	00.9436	500179	00.9436	500180	00.9436	500181	00.9436	500182	00.9436
500183	00.9436	500184	00.9436	500185	00.9436	500186	00.9436	500187	00.9436	500188	00.9436	500189	00.9436
500190	00.9436	500191	00.9436	500192	00.9436	500193	00.9436	500194	00.9436	500195	00.9436	500196	00.9436
500197	00.9436	500198	00.9436	500199	00.9436	500200	00.9436	500201	00.9436	500202	00.9436	500203	00.9436
500204	00.9436	500205	00.9436	500206	00.9436	500207	00.9436	500208	00.9436	500209	00.9436	500210	00.9436
500211	00.9436	500212	00.9436	500213	00.9436	500214	00.9436	500215	00.9436	500216	00.9436	500217	00.9436
500218	00.9436	500219	00.9436	500220	00.9436	500221	00.9436	500222	00.9436	500223	00.9436	500224	00.9436
500225	00.9436	500226	00.9436	500227	00.9436	500228	00.9436	500229	00.9436	500230	00.9436	500231	00.9436
500232	00.9436	500233	00.9436	500234	00.9436	500235	00.9436	500236	00.9436	500237	00.9436	500238	00.9436
500239	00.9436	500240	00.9436	500241	00.9436	500242	00.9436	500243	00.9436	500244	00.9436	500245	00.9436
500246	00.9436	500247	00.9436	500248	00.9436	500249	00.9436	500250	00.9436	500251	00.9436	500252	00.9436
500253	00.9436	500254	00.9436	500255	00.9436	500256	00.9436	500257	00.9436	500258	00.9436	500259	00.9436
500260	00.9436	500261	00.9436	500262	00.9436	500263	00.9436	500264	00.9436	500265	00.9436	500266	00.9436
500267	00.9436	500268	00.9436	500269	00.9436	500270	00.9436	500271	00.9436	500272	00.9436	500273	00.9436
500274	00.9436	500275	00.9436	500276	00.9436	500277	00.9436	500278	00.9436	500279	00.9436	500280	00.9436
500281	00.9436	500282	00.9436	500283	00.9436	500284	00.9436	500285	00.9436	500286	00.9436	500287	00.9436
500288	00.9436	500289	00.9436	500290	00.9436	500291	00.9436	500292	00.9436	500293	00.9436	500294	00.9436
500295	00.9436	500296	00.9436	500297	00.9436	500298	00.9436	500299	00.9436	500300	00.9436	500301	00.9436
500302	00.9436	500303	00.9436	500304	00.9436	500305	00.9436	500306	00.9436	500307	00.9436	500308	00.9436
500309	00.9436	500310	00.9436	500311	00.9436	500312	00.9436	500313	00.9436	500314	00.9436	500315	00.9436
500316	00.9436	500317	00.9436	500318	00.9436	500319	00.9436	500320	00.9436	500321	00.9436	500322	00.9436
500323	00.9436	500324	00.9436	500325	00.9436	500326	00.9436	500327	00.9436	500328	00.9436	500329	00.9436
500330	00.9436	500331	00.9436	500332	00.9436	500333	00.9436	500334	00.9436	500335	00.9436	500336	00.9436
500337	00.9436	500338	00.9436	500339	00.9436	500340	00.9436	500341	00.9436	500342	00.9436	500343	00.9436
500344	00.9436	500345	00.9436	500346	00.9436	500347	00.9436	500348	00.9436	500349	00.9436	500350	00.9436
500351	00.9436	500352	00.9436	500353	00.9436	500354	00.9436	500355	00.9436	500356	00.9436	500357	00.9436
500358	00.9436	500359	00.9436	500360	00.9436	500361	00.9436	500362	00.9436	500363	00.9436	500364	00.9436
500365	00.9436	500366	00.9436	500367	00.9436	500368	00.9436	500369	00.9436	500370	00.9436	500371	00.9436
500372	00.9436	500373	00.9436	500374	00.9436	500375	00.9436	500376	00.9436	500377	00.9436	500378	00.9436
500379	00.9436	500380	00.9436	500381	00.9436	500382	00.9436	500383	00.9436	500384	00.9436	500385	00.9436
500386	00.9436	500387	00.9436	500388	00.9436	500389	00.9436	500390	00.9436	500391	00.9436	500392	00.9436
500393	00.9436	500394	00.9436	500395	00.9436	500396	00.9436	500397	00.9436	500398	00.9436	500399	00.9436
500400	00.9436	500401	00.9436	500402	00.9436	500403	00.9436	500404	00.9436	500405	00.9436	500406	00.9436
500407	00.9436	500408	00.9436	500409	00.9436	500410	00.9436	500411	00.9436	500412	00.9436	500413	00.9436
500414	00.9436	500415	00.9436	500416	00.9436	500417	00.9436	500418	00.9436	500419	00.9436	500420	00.9436
500421	00.9436	500422	00.9436	500423	00.9436	500424	00.9436	500425	00.9436	500426	00.9436	500427	00.9436
500428	00.9436	500429	00.9436	500430	00.9436	500431	00.9436	500432	00.9436	500433	00.9436	500434	00.9436
500435	00.9436	500436	00.9436	500437	00.9436	500438	00.9436	500439	00.9436	500440	00.9436	500441	00.9436
500442	00.9436	500443	00.9436	500444	00.9436	500445	00.9436	500446	00.9436	500447	00.9436	500448	00.9436
500449	00.9436	500450	00.9436	500451	00.9436	500452	00.9436	500453	00.9436	500454	00.9436	500455	00.9436
500456	00.9436	500457	00.9436	500458	00.9436	500459	00.9436	500460	00.9436	500461	00.9436	500462	00.9436
500463	00.9436	500464	00.9436	500465	00.9436	500466	00.9436	500467	00.9436	500468	00.9436	500469	00.9436
500470	00.9436	500471	00.9436	500472	00.9436	500473	00.9436	500474	00.9436	500475	00.9436	500476	00.9436
500477	00.9436	500478	00.9436	500479	00.9436	500480	00.9436	500481	00.9436	500482	00.9436	500483	00.9436
500484	00.9436	500485	00.9436	500486	00.9436	500487	00.9436	500488	00.9436	500489	00.9436	500490	00.9436
500491	00.9436	500492	00.9436	500493	00.9436	500494	00.9436	500495	00.9436	500496	00.9436	500497	00.9436
500498	00.9436	500499	00.9436	500500	00.9436	500501	00.9436	500502	00.9436	500503	00.9436	500504	00.9436
500505	00.9436	500506	00.9436	500507	00.9436	500508	00.9436	500509	00.9436	500510	00.9436	500511	00.9436
500512	00.9436	500513	00.9436	500514	00.9436	500515	00.9436	500516	00.9436	500517	00.9436	500518	00.9436
500519	00.9436	500520	00.9436	500521	00.9436	500522	00.9436	500523	00.9436	500524	00.9436	500525	00.9436
500526	00.9436	500527	00.9436	500528	00.9436	500529	00.9436	500530	00.9436	500531	00.9436	500532	00.9436
500533	00.9436	500534	00.9436	500535	00.9436	500536	00.9436	500537	00.9436	500538	00.9436	500539	00.9436
500540	00.9436	500541	00.9436	500542	00.9436	500543	00.9436	500544	00.9436	500545	00.9436	500546	00.9436
500547	00.9436	500548	00.9436	500549	00								

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
 : CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

TABLE 3C : HOSPITAL CASE MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 1990

PAGE 23 OF 23

PROVIDER CASE MIX	PROVIDER CASE MIX	PROVIDER CASE MIX	PROVIDER CASE MIX
520075 01.3198	520141 01.1260	530032 01.1734	PROVIDER CASE MIX
520076 01.1901	520142 00.9348		
520077 01.0079	520144 00.9935		
520078 01.3261	520145 01.0058		
520081 01.1944	520146 01.1188		
520082 01.2561	520148 01.1325		
520083 01.5211	520149 01.1489		
520084 01.0592	520151 01.0788		
520087 01.5003	520152 01.1308		
520088 01.1779	520153 01.1186		
520089 01.3410	520154 01.1219		
520090 01.1179	520156 01.0667		
520091 01.2734	520157 01.0420		
520092 01.1338	520159 00.9259		
520094 01.1787	520160 01.7379		
520095 01.2529	520161 01.1193		
520096 01.3269	520170 01.2105		
520097 01.2223	520171 00.9805		
520098 01.6124	520173 01.0750		
520100 01.2314	520174 01.3999		
520101 01.1339	520176 00.8372		
520102 01.2592	520177 01.4274		
520103 01.2908	520178 01.1361		
520104 00.9899	520180 00.6320		
520105 01.0055	530001 01.2636		
520107 01.2743	530002 01.2255		
520109 01.0969	530003 00.9574		
520110 01.0188	530004 00.9913		
520111 01.1077	530005 01.0433		
520112 01.0813	530006 01.1403		
520113 01.2024	530007 01.0516		
520114 01.1250	530008 01.0608		
520115 01.3174	530009 00.9061		
520116 01.1489	530010 01.1564		
520117 01.0413	530011 01.1563		
520118 00.9402	530012 01.6078		
520120 01.0382	530014 01.0988		
520121 01.0102	530015 01.0510		
520122 01.0140	530016 01.0895		
520123 00.9790	530017 01.0214		
520124 01.0810	530018 01.1367		
520130 01.0017	530019 00.9768		
520131 01.1107	530022 01.0858		
520132 01.2144	530023 00.8713		
520134 01.1485	530024 00.9498		
520135 00.9904	530025 01.1823		
520136 01.4282	530026 01.0155		
520138 01.7102	530027 00.9336		
520139 01.2337	530029 00.9260		
520140 01.3431	530031 01.0228		

NOTE: CASE MIX INDEXES DO NOT INCLUDE DISCHARGES FROM PPS-EXEMPT UNITS.  
: CASE MIX INDEXES INCLUDE CASES RECEIVED IN HCFA CENTRAL OFFICE THROUGH JUNE 1991

BILLING CODE 4210-03-C

TABLE 4a.—WAGE INDEX FOR URBAN AREAS

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Abilene, TX .....	0.9437
Taylor, TX .....	
Aguadilla, PR .....	.4572
Aguada, PR .....	
Aguadilla, PR .....	
Isabella, PR .....	
Moca, PR .....	
Akron, OH .....	.9016
Portage, OH .....	
Summit, OH .....	
Albany, GA .....	.8057
Dougherty, GA .....	
Lee, GA .....	
Albany-Schenectady-Troy, NY .....	.8931
Albany, NY .....	
Greene, NY .....	
Montgomery, NY .....	
Rensselaer, NY .....	
Saratoga, NY .....	
Schenectady, NY .....	
Albuquerque, NM .....	1.0133
Bernalillo, NM .....	
Alexandria, LA .....	.8283
Rapides, LA .....	
Allentown-Bethlehem-Easton, PA-NJ .....	.9265
Warren, NJ .....	
Carbon, PA .....	
Lehigh, PA .....	
Northampton, PA .....	
Altoona, PA .....	.9247
Blair, PA .....	
Amarillo, TX .....	.8747
Potter, TX .....	
Randall, TX .....	
*Anaheim-Santa Ana, CA .....	1.2021
Orange, CA .....	
Anchorage, AK .....	1.4189
Anchorage, AD .....	
Anderson, IN .....	1.0122
Madison, IN .....	
Anderson, SC .....	.7265
Anderson, SC .....	
Ann Arbor, MI .....	1.1394
Washtenaw, MI .....	
Anniston, AL .....	.7938
Calhoun, AL .....	
Appleton-Oshkosh-Neenah, WI .....	.9229
Calumet, WI .....	
Outagamie, WI .....	
Winnebago, WI .....	
Arecibo, PR .....	.3957
Arecibo, PR .....	
Camuy, PR .....	
Hatillo, PR .....	
Quebradillas, PR .....	
Asheville, NC .....	.8747
Buncombe, NC .....	
Athens, GA .....	.8216
Clarke, GA .....	
Jackson, GA .....	
Madison, GA .....	
Oconee, GA .....	
*Atlanta, GA .....	.9604
Barrow, GA .....	
Butts, GA .....	
Cherokee, GA .....	
Clayton, GA .....	
Cobb, GA .....	
Coweta, GA .....	

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
De Kalb, GA .....	
Douglas, GA .....	
Fayette, GA .....	
Forsyth, GA .....	
Fulton, GA .....	
Gwinnett, GA .....	
Henry, GA .....	
Newton, GA .....	
Paulding, GA .....	
Rockdale, GA .....	
Spalding, GA .....	
Walton, GA .....	
Atlantic City, NJ .....	1.0516
Atlantic, NJ .....	
Cape May, NJ .....	
Augusta, GA-SC .....	.9409
Columbia, GA .....	
McDuffie, GA .....	
Richmond, GA .....	
Aiken, SC .....	
Aurora-Elgin, IL .....	.9208
Kane, IL .....	
Kendall, IL .....	
Austin, TX .....	.9608
Hays, TX .....	
Travis, TX .....	
Williamson, TX .....	
Bakersfield, CA .....	1.0878
Kern, CA .....	
*Baltimore, MD .....	1.0165
Anne Arundel, MD .....	
Baltimore, MD .....	
Baltimore City, MD .....	
Carroll, MD .....	
Harford, MD .....	
Howard, MD .....	
Queen Annes, MD .....	
Bangor, ME .....	.9072
Penobscot, ME .....	
Baton Rouge, LA .....	.9097
Ascension, LA .....	
East Baton Rouge, LA .....	
Livingston, LA .....	
West Baton Rouge, LA .....	
Battle Creek, MI .....	.9107
Calhoun, MI .....	
Beaumont-Port Arthur, TX .....	.9612
Hardin, TX .....	
Jefferson, TX .....	
Orange, TX .....	
Beaver County, PA .....	1.0174
Beaver, PA .....	
Bellingham, WA .....	1.0506
Whatcom, WA .....	
Benton Harbor, MI .....	.7713
Berrien, MI .....	
*Bergen-Passaic, NJ .....	1.0305
Bergen, NJ .....	
Passaic, NJ .....	
Billings, MT .....	.9333
Yellowstone, MT .....	
Biloxi-Gulfport, MS .....	.8069
Hancock, MS .....	
Harrison, MS .....	
Binghamton, NY .....	.9268
Broome, NY .....	
Tioga, NY .....	
Birmingham, AL .....	.8777
Blount, AL .....	
Jefferson, AL .....	
Saint Clair, AL .....	

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Shelby, AL .....	
Walker, AL .....	
Bismarck, ND .....	.8851
Burleigh, ND .....	
Morton, ND .....	
Bloomington, IN .....	.7848
Monroe, IN .....	
Bloomington-Normal, IL .....	.8666
McClean, IL .....	
Boise City, ID .....	1.0120
Ada, ID .....	
*Boston-Lawrence-Salem-Lowell- .....	
Brockton, MA .....	1.1820
Essex, MA .....	
Middlesex, MA .....	
Norfolk, MA .....	
Plymouth, MA .....	
Suffolk, MA .....	
Boulder-Longmont, CO .....	1.0158
Boulder, CO .....	
Bradenton, FL .....	.8828
Manatee, FL .....	
Brazoria, TX .....	.8805
Brazoria, TX .....	
Bremerton, WA .....	1.0375
Kitsap, WA .....	
Bridgeport-Stamford-Norwalk-Danbury, .....	
CT .....	1.2043
Fairfield, CT .....	
Brownsville-Harlingen, TX .....	.8609
Cameron, TX .....	
Bryan-College Station, TX .....	.9497
Brazos, TX .....	
Buffalo, NY .....	.8916
Erie, NY .....	
Burlington, NC .....	.7888
Alamance, NC .....	
Burlington, VT .....	.9366
Chittenden, VT .....	
Grand Isle, VT .....	
Caguas, PR .....	.4592
Caguas, PR .....	
Gurabo, PR .....	
San Lorenz, PR .....	
Aguas Buenas, PR .....	
Cayey, PR .....	
Cidra, PR .....	
Canton, OH .....	.8461
Carroll, OH .....	
Stark, OH .....	
Casper, WY .....	.8899
Natrona, WY .....	
Cedar Rapids, IA .....	.7534
Linn, IA .....	
Champaign-Urbana-Rantoul, IL .....	.8757
Champaign, IL .....	
Charleston, SC .....	.8339
Berkeley, SC .....	
Charleston, SC .....	
Dorchester, SC .....	
Charleston, WV .....	.9701
Kanawha, WV .....	
Putnam, WV .....	
*Charlotte-Gastonia-Rock Hill, NC-SC .....	.9495
Cabarrus, NC .....	
Gaston, NC .....	
Lincoln, NC .....	
Mecklenburg, NC .....	
Rowan, NC .....	
Union, NC .....	
York, SC .....	
Charlottesville, VA .....	9624

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Albermarle, VA	
Charlottesville City, VA	
Fluvanna, VA	
Greene, VA	
Chattanooga, TN-GA	.9206
Catoosa, GA	
Dade, GA	
Walker, GA	
Hamilton, TN	
Marion, TN	
Sequatchie, TN	
Cheyenne, WY	.7915
Laramie, WY	
*Chicago, IL	1.0527
Cook, IL	
Du Page, IL	
McHenry, IL	
Chico, CA	1.1062
Butte, CA	
*Cincinnati, OH-KY-IN	.9830
Dearborn, IN	
Boone, KY	
Campbell, KY	
Kenton, KY	
Clermont, OH	
Hamilton, OH	
Warren, OH	
Clarksville-Hopkinsville, TN-KY	.7326
Christian, KY	
Montgomery, TN	
*Cleveland, OH	1.0748
Cuyahoga, OH	
Geauga, OH	
Lake, OH	
Medina, OH	
Colorado Springs, CO	.9825
El Paso, CO	
Columbia, MO	.9515
Boone, MO	
Columbia, SC	.8948
Lexington, SC	
Richland, SC	
Columbus, GA-AL	.7577
Russell, AL	
Chattanooga, GA	
Muscogee, GA	
*Columbus, OH	.9682
Delaware, OH	
Fairfield, OH	
Franklin, OH	
Licking, OH	
Madison, OH	
Pickaway, OH	
Union, OH	
Corpus Christi, TX	.8602
Nueces, TX	
San Patricio, TX	
Cumberland, MD-WV	.8195
Allegheny, MD	
Mineral, WV	
*Dallas, TX	.9447
Collin, TX	
Dallas, TX	
Denton, TX	
Ellis, TX	
Kaufman, TX	
Rockwall, TX	
Danville, VA	.7513
Danville City, VA	
Pittsylvania, VA	
Davenport-Rock Island-Moline, IA-IL	.8478
Scott, IA	
Henry, IL	
Rock Island, IL	
Dayton-Springfield, OH	.9100

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Clark, OH	
Greene, OH	
Miami, OH	
Montgomery, OH	
Daytona Beach, FL	.8951
Volusia, FL	
Decatur, AL	.7493
Lawrence, AL	
Morgen, AL	
Decatur, IL	.8293
Macon, IL	
*Denver, CO	1.0767
Adams, CO	
Arapahoe, CO	
Denver, CO	
Douglas, CO	
Jefferson, CO	
Des Moines, IA	.9179
Dallas, IA	
Polk, IA	
Warren, IA	
*Detroit, MI	1.0837
Lapeer, MI	
Livingston, MI	
Macomb, MI	
Monroe, MI	
Oakland, MI	
Saint Clair, MI	
Wayne, MI	
Dothan, AL	.7576
Dale, AL	
Houston, AL	
Dubuque, IA	.8382
Dubuque, IA	
Duluth, MN-WI	.9526
St. Louis, MN	
Douglas, WI	
Eau Claire, WI	.8495
Chippewa, WI	
Eau Claire, WI	
El Paso, TX	.8722
El Paso, TX	
Elkhart-Goshen, IN	.8589
Elkhart, IN	
Elmira, NY	.8818
Chemung, NY	
Enid, OK	.8920
Garfield, OK	
Erie, PA	.9164
Erie, PA	
Eugene-Springfield, OR	1.0174
Lane, OR	
Evansville, IN-KY	.9284
Posey, IN	
Vanderburgh, IN	
Warrick, IN	
Henderson, KY	
Fargo-Moorhead, ND-MN	.9715
Clay, MN	
Cass, ND	
Fayetteville, NC	.8303
Cumberland, NC	
Fayetteville-Springdale, AR	.7997
Washington, AR	
Flint, MI	1.1554
Genesee, MI	
Florence, AL	.7724
Colbert, AL	
Lauderdale, AL	
Florence, SC	.8436
Florence, SC	
Fort Collins-Loveland, CO	1.0247
Larimer, CO	
*Fort Lauderdale-Hollywood-Pompano Beach, FL	1.0383

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Broward, FL	
Fort Myers-Cape Coral, FL	.9808
Lee, FL	
Fort Pierce, FL	1.1051
Martin, FL	
St. Lucie, FL	
Fort Smith, AR-OK	.7939
Crawford, AR	
Sebastian, AR	
Sequoyah, OK	
Fort Walton Beach, FL	.8949
Okaloosa, FL	
Fort Wayne, IN	.8910
Allen, IN	
De Kalb, IN	
Whitley, IN	
*Fort Worth-Arlington, TX	.9498
Johnson, TX	
Parker, TX	
Tarrant, TX	
Fresno, CA	1.0747
Fresno, CA	
Gadsden, AL	.8206
Etowah, AL	
Gainesville, FL	.8806
Alachua, FL	
Bradford, FL	
Galveston-Texas City, TX	.9459
Galveston, TX	
Gary-Hammond, IN	.9485
Lake, IN	
Porter, IN	
Glens Falls, NY	.9239
Warren, NY	
Washington, NY	
Grand Forks, ND	.9586
Grand Forks, ND	
Grand Rapids, MI	.9892
Kent, MI	
Ottawa, MI	
Great Falls, MT	1.0001
Cascade, MT	
Greeley, CO	.9366
Weld, CO	
Green Bay, WI	.9594
Brown, WI	
Greensboro-Winston-Salem-High Point, NC	.9173
Davidson, NC	
Davie, NC	
Forsyth, NC	
Guilford, NC	
Randolph, NC	
Stokes, NC	
Yadkin, NC	
Greenville-Spartanburg, SC	.8911
Greenville, SC	
Pickens, SC	
Spartanburg, SC	
Hagerstown, MD	.9166
Washington, MD	
Hamilton-Middletown, OH	.8461
Butler, OH	
Harrisburg-Lebanon-Carlisle, PA	.9928
Cumberland, PA	
Dauphin, PA	
Lebanon, PA	
*Hartford-Middletown-New Britain-Bristol, CT	1.1927
Hartford, CT	
Litchfield, CT	
Middlesex, CT	
Tolland, CT	
Hickory, NC	.8609



TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Alexander, NC	
Burke, NC	
Catawba, NC	
Honolulu, HI	1.1591
Honolulu, HI	
Houma-Thibodaux, LA	.7184
Lafourche, LA	
Terrebonne, LA	
*Houston, TX	.9788
Fort Bend, TX	
Harris, TX	
Liberty, TX	
Montgomery, TX	
Waller, TX	
Huntington-Ashland, WV-KY-OH	.9446
Boyd, KY	
Carter, KY	
Greenup, KY	
Lasrence, OH	
Cabell, WV	
Wayne, WV	
Huntsville, AL	.8843
Madison, AL	
*Indianapolis, IN	.9609
Boone, IN	
Hamilton, IN	
Hancock, IN	
Hendricks, IN	
Johnson, IN	
Marion, IN	
Morgan, IN	
Shelby, IN	
Iowa City, IA	.9536
Johnson, IA	
Jackson, MI	.8833
Jackson, MI	
Jackson, MS	.7740
Hinds, MS	
Madison, MS	
Rankin, MS	
Jackson, TN	.7869
Madison, TN	
Jacksonville, FL	.9059
Clay, FL	
Duval, FL	
Nassau, FL	
St. Johns, FL	
Jacksonville, NC	.7161
Onslow, NC	
Jamestown-Dunkirk, NY	.7069
Chatauqua, NY	
Janesville-Beloit, WI	.8453
Rock, WI	
Jersey City, NJ	1.0536
Hudson, NJ	
Johnson City-Kingsport-Bristol, TN-VA	.8676
Carter, TN	
Hawkins, TN	
Sullivan, TN	
Unicoi, TN	
Washington, TN	
Bristol City, VA	
Scott, VA	
Washington, VA	
Johnstown, PA	.8861
Cambria, PA	
Somerset, PA	
Joliet, IL	1.0518
Grundy, IL	
Will, IL	
Joplin, MO	.7888
Jasper, MO	
Newton, MO	
Kalamazoo, MI	1.1720

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Kalamazoo, MI	
Kankakee, IL	.8496
Kankakee, IL	
*Kansas City, KS-MO	.9597
Johnson, KS	
Leavenworth, KS	
Miami, KS	
Wyandotte, KS	
Cass, MO	
Clay, MO	
Jackson, MO	
Lafayette, MO	
Platte, MO	
Ray, MO	
Kenosha, WI	.8863
Kenosha, WI	
Killeen-Temple, TX	1.1305
Bell, TX	
Coryell, TX	
Knoxville, TN	.8700
Anderson, TN	
Blount, TN	
Grainger, TN	
Jefferson, TN	
Knox, TN	
Sevier, TN	
Union, TN	
Kokomo, IN	.9444
Howard, IN	
Tipton, IN	
LaCrosse, WI	.8964
LaCrosse, WI	
Lafayette, LA	.8234
Lafayette, LA	
St. Martin, LA	
Lafayette, In	.8440
Tippecanoe, IN	
Lake Charles, LA	.8382
Calcasieu, LA	
Lake County, IL	.9417
Lake, IL	
Lakeland-Winter Haven, FL	.7665
Polk, FL	
Lancaster, PA	.9266
Lancaster, PA	
Lansing-East Lansing, MI	1.0232
Clinton, MI	
Eaton, MI	
Ingham, MI	
Laredo, TX	.7284
Webb, TX	
Las Cruces, NM	.7916
Dona Ana, NM	
Las Vegas, NV	1.0641
Clark, NV	
Lawrence, KS	.8945
Douglas, KS	
Lawton, OK	.8396
Comanche, OK	
Lewiston-Auburn, ME	.9065
Androscoggin, ME	
Lexington-Fayette, KY	.8454
Bourbon, KY	
Clark, KY	
Fayette, KY	
Jessamine, KY	
Scott, KY	
Woodford, KY	
Lima, OH	.8070
Allen, OH	
Auglaize, OH	
Lincoln, NE	.8964
Lancaster, NE	
Little Rock-North Little Rock, AR	.8428

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Faulkner, AR	
Lonoke, AR	
Pulaski, AR	
Saline, AR	
Longview-Marshall, TX	.8699
Gregg, TX	
Harrison, TX	
Lorain-Elyria, OH	.8919
Lorain, OH	
* Los Angeles-Long Beach, CA	1.2366
Los Angeles, CA	
Louisville, KY-IN	.9100
Clark, IN	
Floyd, IN	
Harrison, IN	
Bullitt, KY	
Jefferson, KY	
Oldham, KY	
Shelby, KY	
Lubbock, TX	.8798
Lubbock, TX	
Lynchburg, VA	.8551
Amherst, VA	
Campbell, VA	
Lynchburg City, VA	
Macon-Warner Robins, GA	.8812
Bibb, GA	
Houston, GA	
Jones, GA	
Peach, GA	
Madison, WI	1.0320
Dane, WI	
Manchester-Nashua, NH	1.0139
Hillsborough, NH	
Merrimack, NH	
Mansfield, OH	.8400
Richland, OH	
Mayaguez, PR	.4776
Anasco, PR	
Cabo Rojo, PR	
Hormigueros, PR	
Mayaguez, PR	
San German, PR	
McAllen-Edinburg-Mission, TX	.7722
Hidalgo, TX	
Medford, OR	1.0054
Jackson, OR	
Melbourne-Titusville, FL	.9208
Brevard, FL	
Memphis, TN-AR-MS	.9068
Crittenden, AR	
De Soto, MS	
Shelby, TN	
Tipton, TN	
Merced, CA	1.0321
Merced, CA	
* Miami-Hialeah, FL	1.0198
Dade, FL	
* Middlesex-Somerset-Hunterdon, NJ	1.0410
Hunterdon, NJ	
Middlesex, NJ	
Somerset, NJ	
Midland, TX	1.0386
Midland, TX	
* Milwaukee, WI	.9728
Milwaukee, WI	
Ozaukee, WI	
Washington, WI	
Waukesha, WI	
* Minneapolis-St. Paul, MN-WI	1.0828

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Anoka, MN	
Carver, MN	
Chisago, MN	
Dakota, MN	
Hennepin, MN	
Isanti, MN	
Ramsey, MN	
Scott, MN	
Washington, MN	
Wright, MN	
St. Croix, WI	
Mobile, AL	.8327
Baldwin, AL	
Mobile, AL	
Modesto, CA	1.1593
Stanislaus, CA	
Monmouth-Ocean, NJ	.9909
Monmouth, NJ	
Ocean, NJ	
Monroe, LA	.7871
Ouachita, LA	
Montgomery, AL	.7745
Autauga, AL	
Elmore, AL	
Montgomery, AL	
Muncie, IN	.8075
Delaware, IN	
Muskegon, MI	.9491
Muskegon, MI	
Naples, FL	1.0333
Collier, FL	
Nashville, TN	.9406
Cheatham, TN	
Davidson, TN	
Dickson, TN	
Robertson, TN	
Rutherford, TN	
Sumner, TN	
Williamson, TN	
Wilson, TN	
*Nassau-Suffolk, NY	1.2650
Nassau, NY	
Suffolk, NY	
New Bedford-Fall River-Attleboro, MA	1.1723
Bristol, MA	
New Haven-Waterbury-Meriden, CT	1.2106
New Haven, CT	
New London-Norwich, CT	1.1582
New London, CT	
*New Orleans, LA	.8909
Jefferson, LA	
Orleans, LA	
St. Bernard, LA	
St. Charles, LA	
St. John The Baptist, LA	
St. Tammany, LA	
*New York, NY	1.3479
Bronx, NY	
Kings, NY	
New York City, NY	
Putnam, NY	
Queens, NY	
Richmond, NY	
Rockland, NY	
Westchester, NY	
*Newark, NJ	1.1242
Essex, NJ	
Morris, NJ	
Sussex, NJ	
Union, NJ	
Niagara Falls, NY	.7567
Niagara, NY	
*Norfolk-Virginia Beach-Newport News, VA	.8523

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Chesapeake City, VA	
Gloucester, VA	
Hampton City, VA	
James City Co., VA	
Newport News City, VA	
Norfolk City, VA	
Poquoson, VA	
Portsmouth City, VA	
Suffolk City, VA	
Virginia Beach City, VA	
Williamsburg, City, VA	
York, VA	
*Oakland, CA	1.4532
Alameda, CA	
Contra Costa, CA	
Ocala, FL	.8622
Marion, FL	
Odessa, TX	1.0849
Ector, TX	
Oklahoma City, OK	.9153
Canadian, OK	
Cleveland, OK	
Logan, OK	
McClain, OK	
Oklahoma, OK	
Pottawatomie, OK	
Olympia, WA	1.1012
Thurston, WA	
Omaha, NE-IA	.8997
Pottawattamie, IA	
Douglas, NE	
Sarpy, NE	
Washington, NE	
Orange County, NY	.9205
Orange, NY	
*Orlando, FL	.9629
Orange, FL	
Osceola, FL	
Seminole, FL	
*Owensboro, KY	.8158
Daviess, KY	
Oxnard-Ventura, CA	1.2091
Ventura, CA	
Panama City, FL	.8640
Bay, FL	
Parkersburg-Marietta, WV-OH	.8547
Washington, OH	
Wood, WV	
Pascagoula, MS	.8763
Jackson, MS	
Pensacola, FL	.8631
Escambia, FL	
Santa Rosa, FL	
Peoria, IL	.8717
Peoria, IL	
Tazewell, IL	
Woodford, IL	
*Philadelphia, PA-NJ	1.0962
Burlington, NJ	
Camden, NJ	
Gloucester, NJ	
Bucks, PA	
Chester, PA	
Delaware, PA	
Montgomery, PA	
Philadelphia, PA	
*Phoenix, AZ	1.0438
Maricopa, AZ	
Pine Bluff, AR	.7879
Jefferson, AR	
*Pittsburgh, PA	1.0137

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Allegheny, PA	
Fayette, PA	
Washington, PA	
Westmoreland, PA	
Pittsfield, MA	1.0792
Berkshire, MA	
Ponce, PR	.4606
Juana Diaz, PR	
Ponce, PR	
Portland, ME	.9300
Cumberland, ME	
Sagadahoc, ME	
York, ME	
*Portland, OR	1.1583
Clackamas, OR	
Multnomah, OR	
Washington, OR	
Yamhill, OR	
Portsmouth-Dover-Rochester, NH	1.0115
Rockingham, NH	
Strafford, NH	
Poughkeepsie, NY	1.0456
Dutchess, NY	
*Providence-Pawtucket-Woonsocket, RI	1.0657
Bristol, RI	
Kent, RI	
Newport, RI	
Providence, RI	
Washington, RI	
Provo-Orem, UT	1.0239
Utah, UT	
Pueblo, CO	.8730
Pueblo, CO	
Racine, WI	.8453
Racine, WI	
Raleigh-Durham, NC	.9474
Durham, NC	
Franklin, NC	
Orange, NC	
Wake, NC	
Rapid City, SD	.8408
Pennington, SD	
Reading, PA	.9098
Berks, PA	
Redding, CA	1.0559
Shasta, CA	
Reno, NV	1.1628
Washoe, NV	
Richland-Kennewick, WA	.9410
Benton, WA	
Franklin, WA	
Richmond-Petersburg, VA	.9426
Charles City Co., VA	
Chesterfield, VA	
Colonial Heights City, VA	
Dinwiddie, VA	
Goochland, VA	
Hanover, VA	
Henrico, VA	
Hopewell City, VA	
New Kent, VA	
Petersburg City, VA	
Powhatan, VA	
Prince George, VA	
Richmond City, VA	
*Riverside-San Bernardino, CA	1.1091
Riverside, CA	
San Bernardino, CA	
Roanoke, VA	.8292
Botetourt, VA	
Roanoke, VA	
Roanoke City, VA	
Salem City, VA	
Rochester, MN	1.1039

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Olmsted, MN	
*Rochester, NY	.9719
Livingston, NY	
Monroe, NY	
Ontario, NY	
Orleans, NY	
Wayne, NY	
Rockford, IL	.9291
Boone, IL	
Winnebago, IL	
*Sacramento, CA	1.2244
Eldorado, CA	
Placer, CA	
Sacramento, CA	
Yolo, CA	
Saginaw-Bay City-Midland, MI	1.0461
Bay, MI	
Midland, MI	
Saginaw, MI	
St. Cloud, MN	.8927
Benton, MN	
Sherburne, MN	
Stearns, MN	
St. Joseph, MO	.9422
Buchanan, MO	
*St. Louis, MO-IL	.9397
Clinton, IL	
Jersey, IL	
Madison, IL	
Monroe, IL	
St. Clair, IL	
Franklin, MO	
Jefferson, MO	
St. Charles, MO	
St. Louis, MO	
St. Louis City, MO	
Salem, OR	1.0455
Marion, OR	
Polk, OR	
Salinas-Seaside-Monterey, CA	1.3052
Monterey, CA	
*Salt Lake City-Ogden, UT	.9941
Davis, UT	
Salt Lake, UT	
Weber, UT	
San Angelo, TX	.8147
Tom Green, TX	
*San Antonio, TX	.8450
Bexar, TX	
Comal, TX	
Guadalupe, TX	
*San Diego, CA	1.1945
San Diego, CA	
*San Francisco, CA	1.4517
Marin, CA	
San Francisco, CA	
San Mateo, CA	
*San Jose, CA	1.4661
Santa Clara, CA	
*San Juan, PR	.4991
Barcelona, PR	
Bayamon, PR	
Canovanas, PR	
Carolina, PR	
Catano, PR	
Corozal, PR	

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
Dorado, PR	
Fajardo, PR	
Florida, PR	
Guaynabo, PR	
Humacao, PR	
Juncos, PR	
Los Piedras, PR	
Loiza, PR	
Lugaillo, PR	
Manati, PR	
Naranjito, PR	
Rio Grande, PR	
San Juan, PR	
Toa Alta, PR	
Toa Baja, PR	
Trojillo Alto, PR	
Vega Alta, PR	
Vega Baja, PR	
Santa Barbara-Santa Maria-Lompoc, CA	1.1779
Santa Barbara, CA	
Santa Cruz, CA	1.1829
Santa Cruz, CA	
Santa Fe, NM	.9170
Los Alamos, NM	
Santa Fe, NM	
Santa Rosa-Petaluma, CA	1.2968
Sonoma, CA	
Sarasota, FL	.9790
Sarasota, FL	
Savannah, GA	.8335
Chatham, GA	
Effingham, GA	
Scranton-Wilkes Barre, PA	.8923
Columbia, PA	
Lackawanna, PA	
Luzerne, PA	
Monroe, PA	
Wyoming, PA	
*Seattle, WA	1.0881
King, WA	
Snohomish, WA	
Sharon, PA	.9180
Mercer, PA	
Sheboygan, WI	.8880
Sheboygan, WI	
Sherman-Denison, TX	.9097
Grayson, TX	
Shreveport, LA	.9308
Bossier, LA	
Caddo, LA	
Sioux City, IA-NE	.8511
Woodbury, IA	
Dakota, NE	
Sioux Falls, SD	.8841
Minnehaha, SD	
South Bend-Mishawaka, IN	1.0076
St. Joseph, IN	
Spokane, WA	1.0701
Spokane, WA	
Springfield, IL	.9304
Menard, IL	
Sangamon, IL	
Springfield, MO	.8089
Christian, MO	
Greene, MO	
Springfield, MA	.9632
Hampden, MA	
Hampshire, MA	

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Wage index
State College, PA	.9910
Centre, PA	
Steubenville-Weirton, OH-WV	.8720
Jefferson, OH	
Brooke, WV	
Hancock, WV	
Stockton, CA	1.1623
San Joaquin, CA	
Syracuse, NY	.9570
Madison, NY	
Onondaga, NY	
Oswego, NY	
Tacoma, WA	.9877
Pierce, WA	
Tallahassee, FL	.9229
Gadsden, FL	
Leon, FL	
*Tampa-St. Petersburg-Clearwater, FL	.9196
Hernando, FL	
Hillsborough, FL	
Pasco, FL	
Pinellas, FL	
Terre Haute, IN	.8766
Clay, IN	
Vigo, IN	
Texarkana-TX-Texarkana, AR	.8050
Miller, AR	
Bowie, TX	
Toledo, OH	.9002
Fulton, OH	
Lucas, OH	
Wood, OH	
Topeka, KS	.9311
Shawnee, KS	
Trenton, NJ	1.0216
Mercer, NJ	
Tucson, AZ	.9628
Pima, AZ	
Tulsa, OK	.8540
Creeks, OK	
Osage, OK	
Rogers, OK	
Tulsa, OK	
Wagoner, OK	
Tuscaloosa, AL	.8529
Tuscaloosa, AL	
Tyler, TX	.9847
Smith, TX	
Utica-Rome, NY	.8162
Herkimer, NY	
Oneida, NY	
Vallejo-Fairfield-Napa, CA	1.2829
Napa, CA	
Solano, CA	
Vancouver, WA	1.0722
Clark, WA	
Victoria, TX	.9002
Victoria, TX	
Vineland-Millville-Bridgeton, NJ	.9768
Cumberland, NJ	
Visalia-Tulare-Porterville, CA	1.0402
Tulare, CA	
Waco, TX	.7822
McLennan, TX	
*Washington, DC-MD-VA	1.0951
District of Columbia, DC	

TABLE 4a.—WAGE INDEX FOR URBAN AREAS—Continued

(Areas that qualify as large urban areas are designated with an asterisk)

Urban area (constituent counties or county equivalents)	Wage index
Calvert, MD	
Charles, MD	
Frederick, MD	
Montgomery, MD	
Prince Georges, MD	
Alexandria City, VA	
Arlington, VA	
Fairfax, VA	
Fairfax City, VA	
Falls Church City, VA	
Loudoun, VA	
Manassas City, VA	
Manassas Park City, VA	
Prince William, VA	
Stafford, VA	
Waterloo-Cedar Falls, IA	.8650
Black Hawk, IA	
Bremer, IA	
Wausau, WI	.9757
Marathon, WI	
West Palm Beach-Boca Raton-Delray Beach, FL	1.0087
Palm Beach, FL	
Wheeling, WV-OH	.8098
Belmont, OH	
Marshall, WV	
Ohio, WV	
Wichita, KS	.9818
Butler, KS	
Harvey, KS	
Sedgwick, KS	
Wichita Falls, TX	.8179
Wichita, TX	
Williamsport, PA	.8872
Lycoming, PA	
Wilmington, DE-NJ-MD	1.0879
New Castle, DE	
Cecil, MD	
Salem, NJ	
Wilmington, NC	.8720
New Hanover, NC	
Worcester-Fitchburg-Leominster, MA	1.0740
Worcester, MA	
Yakima, WA	1.0120
Yakima, WA	
York, PA	.8981
Adams, PA	
York, PA	
Youngstown-Warren, OH	.9875
Mahoning, OH	
Trumbull, OH	
Yuba City, CA	1.0176
Sutter, CA	
Yuba, CA	
Yuma, AZ	.8893
Yuma, AZ	

TABLE 4b.—WAGE INDEX FOR RURAL AREAS

Nonurban area	Wage index
Alabama	0.7127
Alaska	1.3529
Arizona	.8604
Arkansas	.6973
California	1.0151
Colorado	.8416
Connecticut	1.1916
Delaware	.8580
Florida	.8738
Georgia	.7770

TABLE 4b.—WAGE INDEX FOR RURAL AREAS—Continued

Nonurban area	Wage index
Hawaii	.9627
Idaho	.8961
Illinois	.7707
Indiana	.7807
Iowa	.7534
Kansas	.7454
Kentucky	.7800
Louisiana	.7391
Maine	.8362
Maryland	.8089
Massachusetts	1.1723
Michigan	.8822
Minnesota	.8316
Mississippi	.6963
Missouri	.7218
Montana	.8262
Nebraska	.7001
Nevada	.9711
New Hampshire	.9555
New Jersey <sup>1</sup>	
New Mexico	.8325
New York	.8409
North Carolina	.7888
North Dakota	.7726
Ohio	.8461
Oklahoma	.7407
Oregon	.9615
Pennsylvania	.8621
Puerto Rico	.4337
Rhode Island <sup>1</sup>	
South Carolina	.7657
South Dakota	.7175
Tennessee	.7347
Texas	.7596
Utah	.9052
Vermont	.9617
Virginia	.7822
Washington	.9644
West Virginia	.8501
Wisconsin	.8453
Wyoming	.8465

<sup>1</sup> All counties within the State are classified urban.

TABLE 4c.—WAGE INDEX FOR HOSPITALS THAT ARE RECLASSIFIED

Area reclassified to . . .	Wage index
Abilene, TX	0.9437
Akron, OH	.9016
Albany, GA	.7600
Albany-Schenectady-Troy, NY	.8931
Albany-Schenectady-Troy, NY (Vermont Hospitals)	.9617
Albuquerque, NM	.9951
Alexandria, LA	.8283
Allentown-Bethlehem-Easton, PA-NJ	.9265
Altoona, PA	.9247
Amarillo, TX	.8747
Anaheim-Santa Ana, CA	1.1901
Anchorage, AK	1.4028
Ann Arbor, MI	1.1073
Appleton-Oshkosh-Neenah, WI	.9002
Asheville, NC	.8492
Atlanta, GA	.9604
Augusta, GA-SC	.9409
Aurora-Elgin, IL	.8979
Baltimore, MD	1.0165
Bangor, ME	.9072
Baton Rouge, LA	.9097
Battle Creek, MI	.9107
Beaver County, PA	.9679
Benton Harbor, MI	.7713
Benton Harbor, MI (Michigan Hospitals)	.8822

TABLE 4c.—WAGE INDEX FOR HOSPITALS THAT ARE RECLASSIFIED—Continued

Area reclassified to . . .	Wage index
Billings, MT	.9098
Biloxi-Gulfport, MS	.7917
Binghamton, NY	.8952
Birmingham, AL	.8777
Bismarck, ND	.8851
Bloomington, IN	.7848
Boise City, ID	1.0120
Boston-Lawrence-Salem-Lowell-Brockton, MA	1.1661
Boston-Lawrence-Salem-Lowell-Brockton, MA (Massachusetts Hospitals)	1.1723
Bremerton, WA	1.0375
Buffalo, NY	.8797
Burlington, VT	.9025
Burlington, VT (Vermont Hospitals)	.9617
Caguas, PR	.4592
Canton, OH	.8461
Casper, WY	.8899
Charleston, SC	.8178
Charleston, WV	.9547
Charlotte-Gastonia-Rock Hill, NC-SC	.9325
Charlottesville, VA	.9382
Chattanooga, TN-GA	.9010
Cheyenne, WY	.7729
Chicago, IL	1.0527
Chico, CA	1.1062
Cincinnati, OH-KY-IN	.9830
Cleveland, OH	1.0484
Columbia, MO	.9272
Columbia, SC	.8756
Columbus, GA-AL	.7577
Columbus, OH	.9528
Corpus Christi, TX	.8602
Dallas, TX	.9447
Davenport-Rock Island-Moline, IA-IL	.8350
Dayton-Springfield, OH	.9100
Daytona Beach, FL	.8951
Denver, CO	1.0767
Des Moines, IA	.9051
Detroit, MI	1.0837
Dothan, AL	.7576
Dubuque, IA	.8128
Dubuque, IA (Wisconsin Hospitals)	.8453
Duluth, MN-WI	.9526
Eau Claire, WI	.8495
Elkhart-Goshen, IN	.8589
Elmira, NY	.8699
Enid, OK	.8418
Erie, PA	.9164
Eugene-Springfield, OR	1.0174
Evansville, IN-KY	.9284
Fargo-Moorhead, ND-MN	.9325
Fayetteville, NC	.7888
Fayetteville-Springdale, AR	.7997
Flint, MI	1.1347
Florence, AL	.7724
Florence, SC	.8433
Fort Lauderdale-Hollywood-Pompano Beach, FL	1.0383
Fort Myers-Cape Coral, FL	.9808
Fort Pierce, FL	1.0313
Fort Walton Beach, FL	.8949
Fort Wayne, IN	.8672
Fort Worth-Arlington, TX	.9498
Fresno, CA	1.0633
Galveston-Texas City, TX	.9459
Gary-Hammond, IN	.8927
Grand Forks, ND	.9216
Grand Rapids, MI	.9892
Great Falls, MT	.8330
Greeley, CO	.9366
Green Bay, WI	.9340
Greensboro-Winston-Salem-High Point, NC	.8912
Greenville-Spartanburg, SC	.8766
Hagerstown, MD	.8766
Hamilton-Middletown, OH	.8229

TABLE 4C.—WAGE INDEX FOR HOSPITALS  
THAT ARE RECLASSIFIED—Continued

Area reclassified to . . .	Wage index
Harrisburg-Lebanon-Carlisle, PA	.9438
Hartford-Middletown-New Britain-Bristol, CT	1.1825
Hickory, NC	.8592
Honolulu, HI	1.1591
Houston, TX	.9788
Huntington-Ashland, WV-KY-OH	.9263
Huntsville, AL	.8488
Indianapolis, IN	.9609
Iowa City, IA	.9336
Jackson, MI	.8833
Jackson, MS	.7740
Jackson, TN	.7969
Jacksonville, FL	.9059
Johnson City-Kingsport-Bristol, TN-VA	.8676
Joliet, IL	1.0221
Joplin, MO	.7888
Kalamazoo, MI	1.1251
Kansas City, KS-MO	.9597
Knoxville, TN	.8700
Kokomo, IN	.8922
LaCrosse, WI	.8784
Lafayette, LA	.8234
Lafayette, IN	.8440
Lake Charles, LA	.8382
Lancaster, PA	.9266
Lansing-East Lansing, MI	1.0120
Las Vegas, NV	1.0641
Lawton, OK	.8284
Lewiston-Auburn, ME	.9065
Lexington-Fayette, KY	.8331
Lincoln, NE	.8469
Little Rock-North Little Rock, AR	.8264
Longview-Marshall, TX	.8699
Lorain-Elyria, OH	.8919
Los Angeles-Long Beach, CA	1.2366
Louisville, KY-IN	.8977
Lubbock, TX	.8798
Lynchburg, VA	.8397
Macon-Warner Robins, GA	.8625
Madison, WI	1.0024
Manchester-Nashua, NH	1.0139
Mansfield, OH	.8461
Medford, OR	.9893
Memphis, TN-AR-MS	.8889
Midland, TX	1.0386
Milwaukee, WI	.9594
Minneapolis-St. Paul, MN-WI	1.0828
Mobile, AL	.8327
Modesto, CA	1.1593
Monroe, LA	.7763
Montgomery, AL	.7745
Muncie, IN	.8075
Muskegon, MI	.9491
Nashville, TN	.9406
New London-Norwich, CT	1.1273
New Orleans, LA	.8909
New York, NY	1.3479

TABLE 4C.—WAGE INDEX FOR HOSPITALS  
THAT ARE RECLASSIFIED—Continued

Area reclassified to . . .	Wage index
Newark, NJ	1.1242
Norfolk-Virginia Beach-Newport News, VA	.8523
Oakland, CA	1.4532
Odessa, TX	1.0849
Oklahoma City, OK	.9153
Olympia, WA	1.0400
Omaha, NE-IA	.8997
Orange County, NY	.9205
Orlando, FL	.9629
Owensboro, KY	.8158
Parkersburg-Marietta, WV-OH	.8547
Peoria, IL	.8717
Philadelphia, PA-NJ	1.0853
Phoenix, AZ	1.0438
Pine Bluff, AR	.7765
Pittsburgh, PA	1.0137
Portland, ME	.9143
Portland, OR	1.1583
Portsmouth-Dover-Rochester, NH	1.0011
Poughkeepsie, NY	.9973
Providence-Pawtucket-Woonsocket, RI	1.0657
Providence-Pawtucket-Woonsocket, RI (Massachusetts Hospitals)	1.1723
Provo-Orem, UT	1.0239
Raleigh-Durham, NC	.9229
Rapid City, SD	.8291
Reading, PA	.8734
Redding, CA	1.0415
Reno, NV	1.1448
Roanoke, VA	.8292
Rochester, NY	.9594
Rockford, IL	.9080
Sacramento, CA	1.2244
Saginaw-Bay City-Midland, MI	1.0154
St. Cloud, MN	.8927
St. Louis, MO-IL	.9397
Salem, OR	1.0243
Salinas-Seaside-Monterey, CA	1.2910
San Angelo, TX	.8147
San Antonio, TX	.8450
San Diego, CA	1.1945
San Francisco, CA	1.4404
San Jose, CA	1.4549
San Juan, PR	.4991
Santa Barbara-Santa Maria-Lompoc, CA	1.1598
Santa FE, NM	.9170
Santa Rosa-Petaluma, CA	1.2668
Sarasota, FL	.9593
Scranton-Wilkes Barre, PA	.8923
Seattle, WA	1.0729
Sharon, PA	.9094
Sheboygan, WI	.8679
Shreveport, LA	.9308
Sioux City, IA-NE	.8331
Sioux Falls, SD	.8841
South Bend-Mishawaka, IN	.9695
Springfield, IL	.9202
Springfield, MO	.7966

TABLE 4C.—WAGE INDEX FOR HOSPITALS  
THAT ARE RECLASSIFIED—Continued

Area reclassified to . . .	Wage index
State College, PA	.9337
Steubenville-Weirton, OH-WV. (Ohio Hospitals)	.8461
Steubenville-Weirton, OH-WV. (West Virginia Hospitals)	.8501
Syracuse, NY	.9405
Tacoma, WA	.9877
Tallahassee, FL	.8861
Tampa-St. Petersburg-Clearwater, FL	.9196
Terre Haute, IN	.8659
Texarkana, TX-Texarkana, AR	.8050
Toledo, OH	.9002
Topeka, KS	.9311
Tucson, AZ	.9628
Tulsa, OK	.8540
Tuscaloosa, AL	.8294
Tyler, TX	.9369
Vancouver, WA	1.0112
Victoria, TX	.9002
Waco, TX	.7822
Washington, DC-MD-VA	1.0951
Waterloo-Cedar Falls, IA	.8650
Wausau, WI	.9155
West Palm Beach-Boca Raton-Delray Beach, FL	1.0087
Wichita, KS	.9596
Wichita Falls, TX	.8179
Williamsport, PA	.8715
Wilmington, NC	.8720
Yakima, WA	.9995
Youngstown-Warren, OH	.9532
Rural California	1.0151
Rural Georgia	.7770
Rural Illinois	.7707
Rural Indiana	.7807
Rural Iowa	.7534
Rural Kansas	.7454
Rural Kentucky	.7800
Rural Louisiana	.7391
Rural Michigan	.8822
Rural Minnesota	.8316
Rural Missouri	.7218
Rural Nevada	.9388
Rural New Hampshire	.9555
Rural North Carolina	.7888
Rural Ohio	.8461
Rural Oklahoma	.7407
Rural Pennsylvania	.8621
Rural South Dakota	.7175
Rural Utah	.9052
Rural Washington	.9452
Rural West Virginia	.8501
Rural Wisconsin	.8453
Rural Wyoming	.8296

BILLING CODE 4120-03-M

TABLE 5

LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
1	01	SURG	CRANIOTOMY AGE >17 EXCEPT FOR TRAUMA	12.2	44
2	01	SURG	CRANIOTOMY FOR TRAUMA AGE >17	11.3	43
3	01	SURG	* CRANIOTOMY AGE 0-17	12.7	45
4	01	SURG	SPINAL PROCEDURES	9.9	42
5	01	SURG	EXTRACRANIAL VASCULAR PROCEDURES	5.5	35
6	01	SURG	CARPAL TUNNEL RELEASE	1.9	17
7	01	SURG	PERIPH & CRANIAL NERVE & OTHER NERV SYST PROC WITH CC	11.6	44
8	01	SURG	PERIPH & CRANIAL NERVE & OTHER NERV SYST PROC W/O CC	3.0	35
9	01	MED	SPINAL DISORDERS & INJURIES	7.1	39
10	01	MED	NERVOUS SYSTEM NEOPLASMS WITH CC	7.7	40
11	01	MED	NERVOUS SYSTEM NEOPLASMS W/O CC	4.4	36
12	01	MED	DEGENERATIVE NERVOUS SYSTEM DISORDERS	6.9	39
13	01	MED	MULTIPLE SCLEROSIS & CEREBELLAR ATAXIA	6.7	39
14	01	MED	SPECIFIC CEREBROVASCULAR DISORDERS EXCEPT TIA	7.2	39
15	01	MED	TRANSIENT ISCHEMIC ATTACK & PRECEREAL OCCLUSIONS	4.1	33
16	01	MED	NONSPECIFIC CEREBROVASCULAR DISORDERS W CC	6.6	39
17	01	MED	NONSPECIFIC CEREBROVASCULAR DISORDERS W/O CC	4.4	36
18	01	MED	CRANIAL & PERIPHERAL NERVE DISORDERS WITH CC	5.9	38
19	01	MED	CRANIAL & PERIPHERAL NERVE DISORDERS W/O CC	3.9	36
20	01	MED	NERVOUS SYSTEM INFECTION EXCEPT VIRAL MENINGITIS	8.5	40
21	01	MED	VIRAL MENINGITIS	7.5	39
22	01	MED	HYPERTENSIVE ENCEPHALOPATHY	4.4	35
23	01	MED	NONTRAUMATIC STUPOR & COMA	4.4	36
24	01	MED	SEIZURE & HEADACHE AGE >17 WITH CC	5.3	37
25	01	MED	SEIZURE & HEADACHE AGE >17 W/O CC	3.5	28
26	01	MED	SEIZURE & HEADACHE AGE 0-17	3.4	31
27	01	MED	TRAUMATIC STUPOR & COMA, COMA >1 HR	1.3566	36
28	01	MED	TRAUMATIC STUPOR & COMA, COMA <1 HR AGE >17 WITH CC	1.2371	38
29	01	MED	TRAUMATIC STUPOR & COMA, COMA <1 HR AGE >17 W/O CC	.5525	35
30	01	MED	* TRAUMATIC STUPOR & COMA, COMA <1 HR AGE 0-17	.3496	17
31	01	MED	CONCUSSION AGE >17 WITH CC	.7139	36
32	01	MED	CONCUSSION AGE >17 W/O CC	.4145	25
33	01	MED	* CONCUSSION AGE 0-17	.2427	9
34	01	MED	OTHER DISORDERS OF NERVOUS SYSTEM WITH CC	1.1524	38
35	01	MED	OTHER DISORDERS OF NERVOUS SYSTEM W/O CC	.5648	38

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

TABLE 5

LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
36	02	SURG	RETINAL PROCEDURES		
37	02	SURG	ORBITAL PROCEDURES	.6434	12
38	02	SURG	PRIMARY IRIS PROCEDURES	.7951	35
39	02	SURG	LENS PROCEDURES WITH OR WITHOUT VITRECTOMY	.3532	16
40	02	SURG	EXTRAOCULAR PROCEDURES EXCEPT ORBIT AGE >17	.4732	8
				.5101	23
41	02	SURG	* EXTRAOCULAR PROCEDURES EXCEPT ORBIT AGE 0-17	.3613	7
42	02	SURG	INTRAOCULAR PROCEDURES EXCEPT RETINA, IRIS & LENS	1.6	
43	02	MED	HYPERHMA	2.1	15
44	02	MED	ACUTE MAJOR EYE INFECTIONS	3.6	25
45	02	MED	NEUROLOGICAL EYE DISORDERS	5.5	36
				3.5	30
46	02	MED	OTHER DISORDERS OF THE EYE AGE >17 W CC	4.1	36
47	02	MED	OTHER DISORDERS OF THE EYE AGE >17 W/O CC	2.7	31
48	02	MED	* OTHER DISORDERS OF THE EYE AGE 0-17	3.923	
49	03	SURG	MAJOR HEAD & NECK PROCEDURES	.3969	30
50	03	SURG	SIALOADENECTOMY	2.2790	39
				.6625	14
51	03	SURG	SALIVARY GLAND PROCEDURES EXCEPT SIALOADENECTOMY	2.0	18
52	03	SURG	CLEFT LIP & PALATE REPAIR	2.4	22
53	03	SURG	SINUS & MASTOID PROCEDURES AGE >17	1.9	20
54	03	SURG	* SINUS & MASTOID PROCEDURES AGE 0-17	3.2	22
55	03	SURG	MISCELLANEOUS EAR, NOSE, MOUTH & THROAT PROCEDURES	1.6	14
				.5134	
56	03	SURG	RHINOPLASTY	.5444	15
57	03	SURG	T&A PROC, EXCEPT TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE >17	.8501	35
58	03	SURG	* T&A PROC, EXCEPT TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE 0-17	.3080	4
59	03	SURG	TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE >17	.4071	10
60	03	SURG	* TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE 0-17	.2584	4
61	03	SURG	MYRINGOTOMY W TUBE INSERTION AGE >17	.8065	35
62	03	SURG	* MYRINGOTOMY W TUBE INSERTION AGE 0-17	.3052	5
63	03	SURG	OTHER EAR, NOSE, MOUTH & THROAT O.R. PROCEDURES	1.0595	36
64	03	MED	EAR, NOSE, MOUTH & THROAT MALIGNANCY	1.1190	37
65	03	MED	DYSEQUILIBRIUM	.4727	23
				3.3	
66	03	MED	EPISTAXIS	.4606	24
67	03	MED	EPIGLOTTITIS	.8708	32
68	03	MED	OTITIS MEDIA & URI AGE >17 WITH CC	.7277	33
69	03	MED	OTITIS MEDIA & URI AGE >17 W/O CC	.5156	23
70	03	MED	OTITIS MEDIA & URI AGE 0-17	.5295	32
				3.2	

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.



TABLE 5

## LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
71	03	MED	.8197	4.8	37
72	03	MED	.5741	3.4	35
73	03	MED	.7500	4.1	36
74	03	MED	.3386	2.1	20
75	04	SURG	3.0063	11.5	44
76	04	SURG	2.3804	10.6	43
77	04	SURG	1.0289	4.5	36
78	04	MED	1.4273	8.7	41
79	04	MED	1.7813	9.2	41
80	04	MED	1.0066	6.7	39
81	04	MED	1.0899	6.1	38
82	04	MED	1.2453	6.7	39
83	04	MED	.9606	6.2	38
84	04	MED	.4920	3.7	32
85	04	MED	1.1643	6.8	39
86	04	MED	.6834	4.3	36
87	04	MED	1.3851	6.0	38
88	04	MED	.9942	5.9	38
89	04	MED	1.1658	7.1	39
90	04	MED	.7282	5.4	30
91	04	MED	.7846	4.2	36
92	04	MED	1.1997	6.9	39
93	04	MED	.8028	5.2	37
94	04	MED	1.2472	7.1	39
95	04	MED	.6108	4.4	35
96	04	MED	.9457	5.9	35
97	04	MED	.6450	4.6	26
98	04	MED	.8262	5.5	37
99	04	MED	.7962	4.1	36
100	04	MED	.4983	2.6	18
101	04	MED	.9232	5.1	37
102	04	MED	.5272	3.3	30
103	05	SURG	14.0323	25.2	57
104	05	SURG	8.2575	18.1	50
105	05	SURG	6.1581	12.7	45

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

TABLE 5

LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
106	05	SURG	5.4470	13.6	48
107	05	SURG	4.9616	11.3	43
108	05	SURG	5.9600	12.7	45
109		NO LONGER VALID	.0000	0	0
110	05	SURG	4.2703	10.3	42
111	05	SURG	2.3980	7.5	40
112	05	SURG	2.0183	4.8	37
113	05	SURG	2.8925	14.3	46
114	05	SURG	1.5499	9.0	41
115	05	SURG	3.6795	11.9	44
116	05	SURG	2.4973	5.7	38
117	05	SURG	1.2743	3.7	36
118	05	SURG	1.6957	2.8	35
119	05	SURG	.9379	3.5	36
120	05	SURG	2.0736	7.4	39
121	05	MED	1.6210	8.2	40
122	05	MED	1.1687	6.0	38
123	05	MED	1.3920	3.0	35
124	05	MED	1.1973	4.2	36
125	05	MED	.7387	2.2	22
126	05	MED	2.8874	16.3	48
127	05	MED	1.0070	6.0	38
128	05	MED	.7906	7.4	33
129	05	MED	1.2551	2.4	34
130	05	MED	.9118	6.1	38
131	05	MED	.5882	4.5	37
132	05	MED	.7312	4.0	36
133	05	MED	.5342	3.0	26
134	05	MED	.5663	3.9	30
135	05	MED	.8770	4.9	37
136	05	MED	.5434	3.2	27
137	05	MED	.6239	3.3	35
138	05	MED	.8211	4.5	38
139	05	MED	.5149	3.1	23
140	05	MED	.6228	3.7	25

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

TABLE 5

## LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
141	05	MED			
142	05	MED	.6950	4.3	35
143	05	MED	.5006	3.1	22
144	05	MED	.5118	2.7	18
145	05	MED	1.0888	5.2	37
			.6454	3.4	34
146	06	SURG			
147	06	SURG	2.5777	12.4	44
148	06	SURG	1.6301	9.0	34
149	06	SURG	3.1804	13.5	46
150	06	SURG	1.5443	8.9	29
			2.5069	11.4	43
151	06	SURG			
152	06	SURG	1.2042	6.7	39
153	06	SURG	1.7255	8.7	41
154	06	SURG	1.0534	6.7	28
155	06	SURG	4.1746	14.3	46
			1.5472	7.7	40
156	06	SURG			
157	06	SURG	.8281	6.0	38
158	06	SURG	.9372	4.6	37
159	06	SURG	.4909	2.5	18
160	06	SURG	1.0701	4.9	37
			.6156	2.9	20
161	06	SURG			
162	06	SURG	.7382	3.2	34
163	06	SURG	.4476	1.8	11
164	06	SURG	.6612	4.0	33
165	06	SURG	2.1733	9.8	42
			1.2562	6.9	25
166	06	SURG			
167	06	SURG	1.2931	6.1	35
168	03	SURG	.7597	4.0	15
169	03	SURG	1.0601	3.8	36
170	06	SURG	.5406	2.0	17
			2.7582	11.1	43
171	06	SURG			
172	06	MED	1.1303	5.3	37
173	06	MED	1.2549	7.0	39
174	06	MED	.6218	3.6	36
175	06	MED	.9735	5.5	37
			.5723	3.8	23

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

TABLE 5

LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
176	06	MED			
177	06	MED	1.0235	5.9	38
178	06	MED	.7840	5.1	32
179	06	MED	.5656	3.8	22
180	06	MED	1.1141	7.1	39
			.9216	5.8	38
181	06	MED			
182	06	MED	.4988	3.8	26
183	06	MED	.7599	4.9	37
184	06	MED	.5198	3.5	25
185	03	MED	.5125	2.7	18
			.7766	4.3	36
186	03	MED			
187	03	MED	.4062	2.9	23
188	06	MED	.5094	2.3	28
189	06	MED	.9846	5.2	37
190	06	MED	.4697	2.8	30
			.7555	4.2	36
191	07	SURG			
192	07	SURG	4.4412	15.5	48
193	07	SURG	1.7379	8.5	41
194	07	SURG	3.0275	14.0	46
195	07	SURG	1.6189	8.8	41
			2.2099	10.6	43
196	07	SURG			
197	07	SURG	1.3547	7.6	28
198	07	SURG	1.6872	7.8	40
199	07	SURG	.9076	4.5	25
200	07	SURG	2.4049	11.9	44
			2.7960	9.4	41
201	07	SURG			
202	07	MED	2.3034	8.8	41
203	07	MED	1.2231	7.2	39
204	07	MED	1.1784	6.8	39
205	07	MED	1.0870	6.1	38
			1.2402	6.7	39
206	07	MED			
207	07	MED	.6029	3.7	36
208	07	MED	.9732	5.5	37
209	08	SURG	.5532	3.3	28
210	08	SURG	2.3795	10.1	38
			1.9386	11.4	43

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

TABLE 5

LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

				RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
211	08	SURG	HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE >17 W/O CC	1.3747	9.0	36
212	08	SURG	HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE 0-17	.9139	4.0	36
213	08	SURG	AMPUTATION FOR MUSCULOSKELETAL SYSTEM & CONN TISSUE DISORDERS	1.7471	9.4	41
214	08	SURG	BACK & NECK PROCEDURES WITH CC	1.8748	8.9	41
215	08	SURG	BACK & NECK PROCEDURES W/O CC	1.1156	5.8	33
216	08	SURG	BIOPSIES OF MUSCULOSKELETAL SYSTEM & CONNECTIVE TISSUE	2.0321	10.1	42
217	08	SURG	WND DEBRID & SKN GRFT EXCEPT HAND, FOR MUSCULOSKELETAL & CONN TISS DIS	3.1641	14.1	46
218	08	SURG	LOWER EXTREM & HUMER PROC EXCEPT HIP, FOOT, FEMUR AGE >17 WITH CC	1.4112	7.2	39
219	08	SURG	LOWER EXTREM & HUMER PROC EXCEPT HIP, FOOT, FEMUR AGE >17 W/O CC	.8977	4.6	29
220	08	SURG	* LOWER EXTREM & HUMER PROC EXCEPT HIP, FOOT, FEMUR AGE 0-17	.9130	5.3	37
221	08	SURG	KNEE PROCEDURES WITH CC	1.8350	7.7	40
222	08	SURG	KNEE PROCEDURES W/O CC	.9721	3.9	36
223	08	SURG	MAJOR SHOULDER/ELBOW PROC, OR OTHER UPPER EXTREMITY PROC W CC	.8044	3.3	25
224	08	SURG	SHOULDER, ELBOW OR FOREARM PROC, EXC MAJOR JOINT PROC, W/O CC	.6306	2.5	15
225	08	SURG	FOOT PROCEDURES	.7825	3.3	35
226	08	SURG	SOFT TISSUE PROCEDURES WITH CC	1.3613	6.1	38
227	08	SURG	SOFT TISSUE PROCEDURES W/O CC	.6791	2.9	25
228	08	SURG	MAJOR THUMB OR JOINT PROC, OR OTH HAND OR WRIST PROC W CC	.8015	2.6	28
229	08	SURG	HAND OR WRIST PROC, EXCEPT MAJOR JOINT PROC, W/O CC	.5403	1.9	16
230	08	SURG	LOCAL EXCISION & REMOVAL OF INT FIX DEVICES OF HIP & FEMUR	.9278	4.1	36
231	08	SURG	LOCAL EXCISION & REMOVAL OF INT FIX DEVICES EXCEPT HIP & FEMUR	1.0817	4.0	36
232	08	SURG	ARTHROSCOPY	1.2448	4.0	36
233	08	SURG	OTHER MUSCULOSKELETAL SYS & CONN TISS O.R. PROC WITH CC	1.9873	9.0	41
234	08	SURG	OTHER MUSCULOSKELETAL SYS & CONN TISS O.R. PROC W/O CC	1.0365	4.6	37
235	08	MED	FRACTURES OF FEMUR	1.0974	7.4	39
236	08	MED	FRACTURES OF HIP & PELVIS	.8428	6.6	39
237	08	MED	SPRAINS, STRAINS, & DISLOCATIONS OF HIP, PELVIS & THIGH	.5583	4.4	36
238	08	MED	OSTEOMYELITIS	1.5884	10.6	43
239	08	MED	PATHOLOGICAL FRACTURES & MUSCULOSKELETAL & CONN TISS MALIGNANCY	1.0269	7.5	40
240	08	MED	CONNECTIVE TISSUE DISORDERS WITH CC	1.1486	7.1	39
241	08	MED	CONNECTIVE TISSUE DISORDERS W/O CC	.5704	4.5	36
242	08	MED	SEPTIC ARTHRITIS	1.2558	8.2	40
243	08	MED	MEDICAL BACK PROBLEMS	.6672	5.0	37
244	08	MED	BONE DISEASES & SPECIFIC ARTHROPATHIES WITH CC	.7665	5.4	37
245	08	MED	BONE DISEASES & SPECIFIC ARTHROPATHIES W/O CC	.5434	4.0	36

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

TABLE 5

LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
246	08	MED			
247	08	MED			
248	08	MED			
249	08	MED			
250	08	MED			
251	08	MED			
252	08	MED			
253	08	MED			
254	08	MED			
255	08	MED			
256	08	MED			
257	09	SURG			
258	09	SURG			
259	09	SURG			
260	09	SURG			
261	09	SURG			
262	09	SURG			
263	09	SURG			
264	09	SURG			
265	09	SURG			
266	09	SURG			
267	09	SURG			
268	09	SURG			
269	09	SURG			
270	09	SURG			
271	09	MED			
272	09	MED			
273	09	MED			
274	09	MED			
275	09	MED			
276	09	MED			
277	09	MED			
278	09	MED			
279	09	MED			
280	09	MED			

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

TABLE 5

## LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
281	09	MED			
282	09	MED	.4167	3.1	30
283	09	MED	.3383	2.2	19
284	09	MED	.7350	5.2	37
285	10	MED	.4410	3.6	34
		MED	2.7210	15.1	47
286	10	SURG			
287	10	SURG	2.4320	9.5	41
288	10	SURG	2.2533	13.4	45
289	10	SURG	1.8810	6.9	39
290	10	SURG	1.0079	4.0	36
		SURG	.7491	2.8	17
291	10	SURG	.4416	1.7	8
292	10	SURG	2.8387	12.1	44
293	10	SURG	1.1528	5.5	37
294	10	MED	.7516	5.8	38
295	10	MED	.7400	4.4	36
296	10	MED			
297	10	MED	.9378	6.0	38
298	10	MED	.5303	4.0	31
299	10	MED	.5396	2.7	30
300	10	MED	.8598	4.8	37
		MED	1.1191	6.9	39
301	10	MED	.5923	4.1	36
302	11	SURG	3.8891	13.9	46
303	11	SURG	2.6645	11.5	43
304	11	SURG	2.3986	10.1	42
305	11	SURG	1.1821	5.3	37
306	11	SURG	1.2922	6.9	39
307	11	SURG	.7100	4.0	23
308	11	SURG	1.4341	6.4	38
309	11	SURG	.7375	3.2	31
310	11	SURG	.8792	3.9	36
311	11	SURG			
312	11	SURG	.5182	2.3	16
313	11	SURG	.8174	3.8	36
314	11	SURG	.4607	2.1	17
315	11	SURG	.4271	2.3	26
		SURG	2.1027	7.0	39

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.



TABLE 5

LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
316	11	MED	RENAL FAILURE		
317	11	MED	ADMIT FOR RENAL DIALYSIS	1.2814	38
318	11	MED	KIDNEY & URINARY TRACT NEOPLASMS WITH CC	.4825	33
319	11	MED	KIDNEY & URINARY TRACT NEOPLASMS W/O CC	1.0908	38
320	11	MED	KIDNEY & URINARY TRACT INFECTIONS AGE >17 WITH CC	.5455	32
				1.0002	39
321	11	MED	KIDNEY & URINARY TRACT INFECTIONS AGE >17 W/O CC	.6346	28
322	11	MED	KIDNEY & URINARY TRACT INFECTIONS AGE 0-17	.6334	35
323	11	MED	URINARY STONES WITH CC, &/OR ESW LITHOTRIPSY	.7422	32
324	11	MED	URINARY STONES W/O CC	.3898	14
325	11	MED	KIDNEY & URINARY TRACT SIGNS & SYMPTOMS AGE >17 WITH CC	.6673	36
326	11	MED	KIDNEY & URINARY TRACT SIGNS & SYMPTOMS AGE >17 W/O CC	.4219	25
327	11	MED	* KIDNEY & URINARY TRACT SIGNS & SYMPTOMS AGE 0-17	.5444	32
328	11	MED	URETHRAL STRICTURE AGE >17 WITH CC	.6143	36
329	11	MED	URETHRAL STRICTURE AGE >17 W/O CC	.3978	18
330	11	MED	* URETHRAL STRICTURE AGE 0-17	.2754	9
331	11	MED	OTHER KIDNEY & URINARY TRACT DIAGNOSES AGE >17 WITH CC	.9566	37
332	11	MED	OTHER KIDNEY & URINARY TRACT DIAGNOSES AGE >17 W/O CC	.5340	35
333	11	MED	OTHER KIDNEY & URINARY TRACT DIAGNOSES AGE 0-17	.9094	37
334	12	SURG	MAJOR MALE PELVIC PROCEDURES W CC	1.7509	32
335	12	SURG	MAJOR MALE PELVIC PROCEDURES W/O CC	1.3574	21
336	12	SURG	TRANSURETHRAL PROSTATECTOMY WITH CC	.9005	26
337	12	SURG	TRANSURETHRAL PROSTATECTOMY W/O CC	.6163	13
338	12	SURG	TESTES PROCEDURES, FOR MALIGNANCY	.7776	29
339	12	SURG	TESTES PROCEDURES, NON-MALIGNANCY AGE >17	.6382	35
340	12	SURG	* TESTES PROCEDURES, NON-MALIGNANCY AGE 0-17	.4283	13
341	12	SURG	PENIS PROCEDURES	.9615	25
342	12	SURG	CIRCUMCISION AGE >17	.5955	35
343	12	SURG	* CIRCUMCISION AGE 0-17	.3742	6
344	12	SURG	OTHER MALE REPRODUCTIVE SYSTEM O.R. PROCEDURES FOR MALIGNANCY	1.0492	36
345	12	SURG	OTHER MALE REPRODUCTIVE SYSTEM O.R. PROC EXCEPT FOR MALIGNANCY	.7263	35
346	12	MED	MALIGNANCY, MALE REPRODUCTIVE SYSTEM, WITH CC	.9609	38
347	12	MED	MALIGNANCY, MALE REPRODUCTIVE SYSTEM, W/O CC	.5016	35
348	12	MED	BENIGN PROSTATIC HYPERTROPHY WITH CC	.6709	36
349	12	MED	BENIGN PROSTATIC HYPERTROPHY W/O CC	.4049	20
350	12	MED	INFLAMMATION OF THE MALE REPRODUCTIVE SYSTEM	.6731	49

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

TABLE 5

PAGE 11 OF 15

LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
351	12	MED			
352	12	MED	.3293	1.3	5
353	13	SURG	.5838	3.3	35
354	13	SURG	2.0590	10.1	42
355	13	SURG	1.3909	7.2	33
			.8562	5.0	13
356	13	SURG	.7076	4.1	17
357	13	SURG	2.2167	10.2	42
358	13	SURG	1.1104	6.0	23
359	13	SURG	.7823	4.6	12
360	13	SURG	.7757	4.1	30
361	13	SURG	.8512	3.3	35
362	13	SURG	.4921	1.4	5
363	13	SURG	.6440	3.1	28
364	13	SURG	.5295	2.5	28
365	13	SURG	1.6878	7.4	39
366	13	MED	1.1681	6.6	39
367	13	MED	.4953	2.9	35
368	13	MED	.9233	6.0	38
369	13	MED	.5274	3.2	35
370	14	SURG	1.0237	5.8	37
371	14	SURG	.6456	4.1	11
372	14	MED	.5235	3.3	30
373	14	MED	.3169	2.1	8
374	14	SURG	.5045	2.5	9
375	14	SURG	.6735	4.4	29
376	14	MED	.3764	2.5	23
377	14	SURG	1.0278	3.1	35
378	14	MED	.7532	3.9	14
379	14	MED	.2892	2.1	16
380	14	MED	.2720	1.4	9
381	14	SURG	.3827	1.6	11
382	14	MED	.1251	1.2	5
383	14	MED	.3934	3.3	31
384	14	MED	.3027	2.2	21
385	15	MED	1.2084	1.8	34

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

TABLE 5

LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
386	15	MED	3.6039	17.9	50
387	15	MED	1.8046	13.3	45
388	15	MED	1.1431	8.6	41
389	15	MED	1.3846	8.1	38
390	15	MED	.8422	4.1	36
391	15	MED	.2191	3.1	11
392	16	SURG	3.2912	11.6	44
393	16	SURG	1.5022	9.1	41
394	16	SURG	1.5719	5.7	38
395	16	MED	.7679	4.6	37
396	16	MED	.5246	2.4	34
397	16	MED	1.2128	5.5	37
398	16	MED	1.2080	6.6	39
399	16	MED	.6661	4.0	36
400	17	SURG	2.5985	9.5	41
401	17	SURG	2.2510	10.3	42
402	17	SURG	.8701	3.6	36
403	17	MED	1.6125	8.1	40
404	17	MED	.7282	3.9	36
405	17	MED	1.0281	4.9	37
406	17	SURG	2.6566	10.9	43
407	17	SURG	1.1519	5.3	37
408	17	SURG	1.1046	4.3	36
409	17	MED	1.0094	6.4	38
410	17	MED	.5540	2.8	19
411	17	MED	.4569	2.6	33
412	17	MED	.4216	2.1	21
413	17	MED	1.3299	7.5	40
414	17	MED	.7231	4.3	36
415	18	SURG	3.6042	14.9	47
416	18	MED	1.5308	7.5	40
417	18	MED	1.0315	5.1	37
418	18	MED	.9585	6.5	39
419	18	MED	.9548	5.8	38
420	18	MED	.6484	4.5	30

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

TABLE 5

PAGE 13 OF 15

## LIST OF DIAGNOSIS RELATED GROUPS (DRGS). RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
421	18	MED			
422	18	MED	.6667	4.4	32
423	18	MED	.5916	4.0	33
424	19	SURG	1.6240	8.2	40
425	19	MED	2.3695	12.6	45
			.7113	4.7	37
426	19	MED			
427	19	MED	.6241	5.5	37
428	19	MED	.6028	5.2	37
429	19	MED	.7831	6.6	39
430	19	MED	.9342	7.6	40
			.9074	8.8	41
431	19	MED			
432	19	MED	.7355	6.1	38
433	20	MED	.6960	4.3	36
434	20	MED	.3754	3.1	35
435	20	MED	.7689	5.6	38
			.5141	4.7	37
436	20	MED			
437	20	MED	1.0782	16.4	48
438			1.1775	15.1	47
439	21	SURG	.0000	0	0
440	21	SURG	1.5267	6.5	38
			1.8492	8.4	40
441	21	SURG			
442	21	SURG	.6872	2.4	27
443	21	SURG	1.9377	6.2	38
444	21	MED	.7595	2.7	32
445	21	MED	.7566	5.2	37
			.4911	3.6	30
446	21	MED			
447	21	MED	.4738	2.4	22
448	21	MED	.4776	2.6	24
449	21	MED	.3428	2.9	17
450	21	MED	.7867	4.2	36
			.4428	2.5	25
451	21	MED			
452	21	MED	.5126	2.1	17
453	21	MED	.8184	4.2	36
454	21	MED	.4177	2.8	25
455	21	MED	.9086	4.4	36
			.4187	2.5	25

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

TABLE 5

PAGE 14 OF 15

## LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

				RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
456	22	MED	BURNS, TRANSFERRED TO ANOTHER ACUTE CARE FACILITY	2.0198	5.6	38
457	22	MED	EXTENSIVE BURNS W/O O.R. PROCEDURE	1.6731	3.0	35
458	22	SURG	NON-EXTENSIVE BURNS W SKIN GRAFT	3.9835	16.3	48
459	22	SURG	NON-EXTENSIVE BURNS W WOUND DEBRIDEMENT OR OTHER O.R. PROC	1.9637	10.5	43
460	22	MED	NON-EXTENSIVE BURNS W/O O.R. PROCEDURE	1.0435	6.4	38
461	23	SURG	O.R. PROC W DIAGNOSES OF OTHER CONTACT W HEALTH SERVICES	.8268	2.5	34
462	23	MED	REHABILITATION	1.8346	14.2	46
463	23	MED	SIGNS & SYMPTOMS W CC	.7297	5.0	37
464	23	MED	SIGNS & SYMPTOMS W/O CC	.4495	3.1	28
465	23	MED	AFTERCARE W HISTORY OF MALIGNANCY AS SECONDARY DIAGNOSIS	.3706	1.9	19
466	23	MED	AFTERCARE W/O HISTORY OF MALIGNANCY AS SECONDARY DIAGNOSIS	.5693	2.6	35
467	23	MED	OTHER FACTORS INFLUENCING HEALTH STATUS	.4303	2.5	35
468			EXTENSIVE O.R. PROCEDURE UNRELATED TO PRINCIPAL DIAGNOSIS	3.4238	13.3	45
469			** PRINCIPAL DIAGNOSIS INVALID AS DISCHARGE DIAGNOSIS	.0000	.0	0
470			** UNGROUPABLE	.0000	.0	0
471	08	SURG	BILATERAL OR MULTIPLE MAJOR JOINT PROCS OF LOWER EXTREMITY	3.9623	13.3	45
472	22	SURG	EXTENSIVE BURNS W O.R. PROCEDURE	13.9563	22.8	55
473	17	MED	ACUTE LEUKEMIA W/O MAJOR O.R. PROCEDURE AGE >17	3.3381	9.8	42
474	04		NO LONGER VALID	.0000	.0	0
475	04	MED	RESPIRATORY SYSTEM DIAGNOSIS WITH VENTILATOR SUPPORT	3.6094	9.8	42
476			PROSTATIC O.R. PROCEDURE UNRELATED TO PRINCIPAL DIAGNOSIS	2.2175	14.3	46
477			NON-EXTENSIVE O.R. PROCEDURE UNRELATED TO PRINCIPAL DIAGNOSIS	1.4338	6.1	38
478	05	SURG	OTHER VASCULAR PROCEDURES W CC	2.2177	7.2	39
479	05	SURG	OTHER VASCULAR PROCEDURES W/O CC	1.3259	4.4	36
480			LIVER TRANSPLANT	22.8213	36.6	69
481			BONE MARROW TRANSPLANT	15.2890	37.8	70
482			TRACHEOSTOMY W MOUTH, LARYNX OR PHARYNX DISORDER	3.1795	13.5	45
483			TRACHEOSTOMY EXCEPT FOR MOUTH, LARYNX OR PHARYNX DISORDER	14.1506	39.9	72
484	24	SURG	CRANIOTOMY FOR MULTIPLE SIGNIFICANT TRAUMA	6.2599	14.5	46
485	24	SURG	LIMB REATTACH., HIP AND FEMUR PROCS FOR MULTI SIGN TRAUMA	3.0632	13.7	46
486	24	SURG	OTHER O.R. PROCEDURES FOR MULTIPLE SIGNIFICANT TRAUMA	5.2491	11.1	43
487	24	MED	OTHER MULTIPLE SIGNIFICANT TRAUMA	1.8218	7.6	40
488	25	SURG	HIV W EXTENSIVE O.R. PROCEDURE	4.3106	17.0	49
489	25	MED	HIV W MAJOR RELATED CONDITION	1.9790	9.6	42
490	25	MED	HIV W OR W/O OTHER RELATED CONDITION	1.1904	5.4	37

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

TABLE 5

PAGE 15 OF 15

## LIST OF DIAGNOSIS RELATED GROUPS (DRGS), RELATIVE WEIGHTING FACTORS, GEOMETRIC MEAN LENGTH OF STAY, AND LENGTH OF STAY OUTLIER CUTOFF POINTS USED IN THE PROSPECTIVE PAYMENT SYSTEM

			RELATIVE WEIGHTS	GEOMETRIC MEAN LOS	OUTLIER THRESHOLD
491	08	SURG	1.5633	5.8	33
492	17	MED	2.5737	8.3	40

\* MEDICARE DATA HAVE BEEN SUPPLEMENTED BY DATA FROM MARYLAND AND MICHIGAN FOR LOW VOLUME DRGS.

\*\* DRGS 469 AND 470 CONTAIN CASES WHICH COULD NOT BE ASSIGNED TO VALID DRGS.

NOTE: GEOMETRIC MEAN IS USED ONLY TO DETERMINE PAYMENT FOR OUTLIER AND TRANSFER CASES.

NOTE: RELATIVE WEIGHTS ARE BASED ON MEDICARE PATIENT DATA AND MAY NOT BE APPROPRIATE FOR OTHER PATIENTS.

BILLING CODE 4120-03-C

TABLE 6a.—NEW DIAGNOSIS CODES

Diagnosis code	Description	CC	MDC	DRG
070.20	Viral hepatitis B with hepatic coma, without mention of hepatitis delta.....	Y	07	205, 206
070.21	Viral hepatitis B with hepatic coma, with hepatitis delta.....	Y	07	205, 206
070.30	Viral hepatitis B without mention of hepatic coma, without mention of hepatitis delta.....	Y	07	205, 206
070.31	Viral hepatitis B without mention of hepatic coma, with hepatitis delta.....	Y	07	205, 206
070.41	Hepatitis C with hepatic coma.....	Y	07	205, 206
070.42	Hepatitis delta without mention of active hepatitis B disease with hepatic coma.....	Y	07	205, 206
070.43	Hepatitis E with hepatic coma.....	Y	07	205, 206
070.49	Other specified viral hepatitis with hepatic coma.....	Y	07	205, 206
070.51	Hepatitis C without mention of hepatic coma.....	Y	07	205, 206
070.52	Hepatitis delta without mention of active hepatitis B disease, without mention of hepatic coma.....	Y	07	205, 206
070.53	Hepatitis E without mention of hepatic coma.....	Y	07	205, 206
070.59	Other specified viral hepatitis without mention of hepatic coma.....	Y	07	205, 206
176.0	Kaposi's sarcoma, skin.....	N	09	283, 284
176.1	Kaposi's sarcoma, soft tissue.....	N	09	283, 284
176.2	Kaposi's sarcoma, palate.....	N	03	64
176.3	Kaposi's sarcoma, gastrointestinal sites.....	Y	06	172, 173
176.4	Kaposi's sarcoma, lung.....	Y	04	82
176.5	Kaposi's sarcoma, lymph nodes.....	Y	17	400, 401, 402, 403, 404
176.8	Kaposi's sarcoma, other specified sites.....	N	09	283, 284
176.9	Kaposi's sarcoma, unspecified.....	N	09	283, 284
203.00	Multiple myeloma without mention of remission.....	Y	17	400, 401, 402, 403, 404
203.01	Multiple myeloma in remission.....	Y	17	400, 401, 402, 403, 404
203.10	Plasma cell leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
203.11	Plasma cell leukemia in remission.....	Y	17	400, 401, 402, 403, 404
203.80	Other immunoproliferative neoplasms without mention of remission.....	Y	17	400, 401, 402, 403, 404
203.81	Other immunoproliferative neoplasms in remission.....	Y	17	400, 401, 402, 403, 404
204.00	Acute lymphoid leukemia without mention of remission.....	Y	17	400, 405, 473
204.01	Acute lymphoid leukemia in remission.....	Y	17	400, 405, 473
204.10	Chronic lymphoid leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
204.11	Chronic lymphoid leukemia in remission.....	Y	17	400, 401, 402, 403, 404
204.20	Subacute lymphoid leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
204.21	Subacute lymphoid leukemia in remission.....	Y	17	400, 401, 402, 403, 404
204.80	Other lymphoid leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
204.81	Other lymphoid leukemia in remission.....	Y	17	400, 401, 402, 403, 404
204.90	Unspecified lymphoid leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
204.91	Unspecified lymphoid leukemia in remission.....	Y	17	400, 401, 402, 403, 404
205.00	Acute myeloid leukemia without mention of remission.....	Y	17	400, 405, 473
205.01	Acute myeloid leukemia in remission.....	Y	17	400, 405, 473
205.10	Chronic myeloid leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
205.11	Chronic myeloid leukemia in remission.....	Y	17	400, 401, 402, 403, 404
205.20	Subacute myeloid leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
205.21	Subacute myeloid leukemia in remission.....	Y	17	400, 401, 402, 403, 404
205.30	Myeloid sarcoma without mention of remission.....	Y	17	400, 401, 402, 403, 404
205.31	Myeloid sarcoma in remission.....	Y	17	400, 401, 402, 403, 404
205.80	Other myeloid leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
205.81	Other myeloid leukemia in remission.....	Y	17	400, 401, 402, 403, 404
205.90	Unspecified myeloid leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
205.91	Unspecified myeloid leukemia in remission.....	Y	17	400, 401, 402, 403, 404
206.00	Acute monocytic leukemia without mention of remission.....	Y	17	400, 405, 473
206.01	Acute monocytic leukemia in remission.....	Y	17	400, 405, 473
206.10	Chronic monocytic leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
206.11	Chronic monocytic leukemia in remission.....	Y	17	400, 401, 402, 403, 404



TABLE 6a.—NEW-DIAGNOSIS CODES—Continued

Diagnosis code	Description	CC	MDC	DRG
206.20	Subacute monocytic leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
206.21	Subacute monocytic leukemia in remission.....	Y	17	400, 401, 402, 403, 404
206.80	Other monocytic leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
206.81	Other monocytic leukemia in remission.....	Y	17	400, 401, 402, 403, 404
206.90	Unspecified monocytic leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
206.91	Unspecified monocytic leukemia in remission.....	Y	17	400, 401, 402, 403, 404
207.00	Acute erythremia and erythroleukemia without mention of remission.....	Y	17	400, 405, 473
207.01	Acute erythremia and erythroleukemia in remission.....	Y	17	400, 405, 473
207.10	Chronic erythremia without mention of remission.....	Y	17	400, 401, 402, 403, 404
207.11	Chronic erythremia in remission.....	Y	17	400, 401, 402, 403, 404
207.20	Megakaryocytic leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
207.21	Megakaryocytic leukemia in remission.....	Y	17	400, 401, 402, 403, 404
207.80	Other specified leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
207.81	Other specified leukemia in remission.....	Y	17	400, 401, 402, 403, 404
208.00	Acute leukemia of unspecified cell type without mention of remission.....	Y	17	400, 405, 473
208.01	Acute leukemia of unspecified cell type in remission.....	Y	17	400, 405, 473
208.10	Chronic leukemia of unspecified cell type without mention of remission.....	Y	17	400, 401, 402, 403, 404
208.11	Chronic leukemia of unspecified cell type in remission.....	Y	17	400, 401, 402, 403, 404
208.20	Subacute leukemia of unspecified cell type without mention of remission.....	Y	17	400, 401, 402, 403, 404
208.21	Subacute leukemia of unspecified cell type in remission.....	Y	17	400, 401, 402, 403, 404
208.80	Other leukemia of unspecified cell type without mention of remission.....	Y	17	400, 401, 402, 403, 404
208.81	Other leukemia of unspecified cell type in remission.....	Y	17	400, 401, 402, 403, 404
208.90	Unspecified leukemia without mention of remission.....	Y	17	400, 401, 402, 403, 404
208.91	Unspecified leukemia in remission.....	Y	17	400, 401, 402, 403, 404
491.20	Obstructive chronic bronchitis, without mention of acute exacerbation.....	Y	04	88
491.21	Obstructive chronic bronchitis, with acute exacerbation.....	Y	04	88
524.60	Temporomandibular joint disorders, unspecified.....	N	03	185, 186, 187
524.61	Adhesions and ankylosis (bony or fibrous).....	N	03	185, 186, 187
524.62	Arthralgia of temporomandibular joint.....	N	03	185, 186, 187
524.63	Articular disc disorder (reducing or non-reducing).....	N	03	185, 186, 187
524.69	Other specified temporomandibular joint disorders.....	N	03	185, 186, 187
535.00	Acute gastritis, without mention of hemorrhage.....	N	06	182, 183, 184
535.01	Acute gastritis, with hemorrhage.....	Y	06	174, 175
535.10	Atrophic gastritis, without mention of hemorrhage.....	N	06	182, 183, 184
535.11	Atrophic gastritis, with hemorrhage.....	Y	06	174, 175
535.20	Gastric mucosal hypertrophy, without mention of hemorrhage.....	N	06	182, 183, 184
535.21	Gastric mucosal hypertrophy, with hemorrhage.....	Y	06	174, 175
535.30	Alcoholic gastritis, without mention of hemorrhage.....	N	06	182, 183, 184
535.31	Alcoholic gastritis, with hemorrhage.....	Y	06	174, 175
535.40	Other specified gastritis, without mention of hemorrhage.....	N	06	182, 183, 184
535.41	Other specified gastritis, with hemorrhage.....	Y	06	174, 175
535.50	Unspecified gastritis and gastroduodenitis, without mention of hemorrhage.....	N	06	182, 183, 184
535.51	Unspecified gastritis and gastroduodenitis, with hemorrhage.....	Y	06	174, 175
535.60	Duodenitis, without mention of hemorrhage.....	N	06	182, 183, 184
535.61	Duodenitis, with hemorrhage.....	Y	06	174, 175
537.83	Angiodysplasia of stomach and duodenum with hemorrhage.....	Y	06	174, 175
562.02	Diverticulosis of small intestine with hemorrhage.....	Y	06	174, 175
562.03	Diverticulitis of small intestine with hemorrhage.....	Y	06	174, 175
562.12	Diverticulosis of colon with hemorrhage.....	Y	06	174, 175
562.13	Diverticulitis of colon with hemorrhage.....	Y	06	174, 175
569.85	Angiodysplasia of intestine with hemorrhage.....	Y	06	174, 175
645.00	Prolonged pregnancy, unspecified as to episode of care or not applicable <sup>1</sup> .....	N	14	469
645.01	Prolonged pregnancy, delivered, with or without mention of antepartum condition <sup>1</sup> .....	N	14	370, 371, 372, 373, 374, 375
645.03	Prolonged pregnancy, antepartum condition or complication <sup>1</sup> .....	N	14	383, 384
657.00	Polyhydramnios, unspecified as to episode of care or not applicable <sup>1</sup> .....	N	14	469
657.01	Polyhydramnios, delivered, with or without mention of antepartum condition <sup>1</sup> .....	N	14	370, 371, 372, 373, 374, 375
657.03	Polyhydramnios, antepartum condition or complication <sup>1</sup> .....	N	14	383, 384

TABLE 6a.—NEW DIAGNOSIS CODES—Continued

Diagnosis code	Description	CC	MDC	DRG
670.00	Major puerperal infection, unspecified as to episode of care or not applicable <sup>1</sup>	Y	14	469
670.02	Major puerperal infection, delivered, with mention of postpartum complication <sup>1</sup>	Y	14	370, 371, 372, 374, 375
670.04	Major puerperal infection, postpartum condition or complication <sup>1</sup>	Y	14	376, 377
672.00	Pyrexia of unknown origin during the puerperium, unspecified as to episode of care or not applicable <sup>1</sup>	N	14	469
672.02	Pyrexia of unknown origin during the puerperium, delivered, with mention of postpartum complication <sup>1</sup>	N	14	370, 371, 372, 374, 375
672.04	Pyrexia of unknown origin during the puerperium, postpartum condition or complication <sup>1</sup>	N	14	376, 377
702.0	Actinic keratosis	N	09	283, 284
702.1	Seborrheic keratosis	N	09	283, 284
702.8	Other specified dermatoses	N	09	283, 284
760.75	Cocaine affecting fetus via placenta or breast milk	N	15	390

<sup>1</sup> Note: Code categories 645, 657, 670, and 672 will now officially use "0" as the fourth-digit. The GROUPE currently requires that these codes have a fifth-digit for subclassification, however, now ICD-9-CM also requires it.

TABLE 6B.—NEW PROCEDURE CODES

Procedure code	Description	OR	MDC	DRG
29.31	Cricopharyngeal myotomy	Y	03	63
29.32	Pharyngeal diverticulectomy	Y	03	63
29.33	Pharyngectomy (partial)	Y	03	63
29.39	Other excision or destruction of lesion or tissue of pharynx	Y	03	63
39.28	Extracranial-intracranial (EC-IC) vascular bypass	Y	01	1, 2, 3
51.23	Laparoscopic cholecystectomy	Y	07	195, 196, 197, 198
60.95	Transurethral balloon dilation of the prostatic urethra	Y	11	310, 311
78.24	Limb shortening procedures, carpal and metacarpals	Y	08	228, 229
78.28	Limb shortening procedures, tarsals and metatarsals	Y	08	225
89.50	Ambulatory cardiac monitoring	N	04	475
96.70	Continuous mechanical ventilation of unspecified duration	I	04	475
96.71	Continuous mechanical ventilation for less than 96 consecutive hours	I	04	475
96.72	Continuous mechanical ventilation for 96 consecutive hours or more	I	04	475

<sup>1</sup> Non-OR procedure that affects DRG assignment.

TABLE 6C.—INVALID DIAGNOSIS CODES <sup>1</sup>

Diagnosis code	Description	CC	MDC	DRG
070.2	Viral hepatitis B with hepatic coma	Y	07	205, 206
070.3	Viral hepatitis B without mention of hepatic coma	Y	07	205, 206
070.4	Other specified viral hepatitis with hepatic coma	Y	07	205, 206
070.5	Other specified viral hepatitis without mention of hepatic coma	Y	07	205, 206
203.0	Multiple myeloma	Y	17	400, 401, 402, 403, 404
203.1	Plasma cell leukemia	Y	17	400, 401, 402, 403, 404
203.8	Other immunoproliferative neoplasms	Y	17	400, 401, 402, 403, 404
204.0	Acute lymphoid leukemia	Y	17	400, 405, 473
204.1	Chronic lymphoid leukemia	Y	17	400, 401, 402, 403, 404
204.2	Subacute lymphoid leukemia	Y	17	400, 401, 402, 403, 404
204.8	Other lymphoid leukemia	Y	17	400, 401, 402, 403, 404
204.9	Unspecified lymphoid leukemia	Y	17	400, 401, 402, 403, 404
205.0	Acute myeloid leukemia	Y	17	400, 405, 473
205.1	Chronic myeloid leukemia	Y	17	400, 401, 402, 403, 404
205.2	Subacute myeloid leukemia	Y	17	400, 401, 402, 403, 404
205.3	Myeloid sarcoma	Y	17	400, 401, 402, 403, 404
205.8	Other myeloid leukemia	Y	17	400, 401, 402, 403, 404
205.9	Unspecified myeloid leukemia	Y	17	400, 401, 402, 403, 404
206.0	Acute monocytic leukemia	Y	17	400, 405, 473
206.1	Chronic monocytic leukemia	Y	17	400, 401, 402, 403, 404
206.2	Subacute monocytic leukemia	Y	17	400, 401, 402, 403, 404
206.8	Other monocytic leukemia	Y	17	400, 401, 402, 403, 404

TABLE 6C—INVALID DIAGNOSIS CODES <sup>1</sup>—Continued

Diagnosis code	Description	CC	MDC	DRG
206.9	Unspecified monocytic leukemia	Y	17	400, 401, 402, 403, 404
207.0	Acute erythremia and erythroleukemia	Y	17	400, 405, 473
207.1	Chronic erythremia	Y	17	400, 401, 402, 403, 404
207.2	Megakaryocytic leukemia	Y	17	400, 401, 402, 403, 404
207.8	Other specified leukemia	Y	17	400, 401, 402, 403, 404
208.0	Acute leukemia of unspecified cell type	Y	17	400, 405, 473
208.1	Chronic leukemia of unspecified cell type	Y	17	400, 401, 402, 403, 404
208.2	Subacute leukemia of unspecified cell type	Y	17	400, 401, 402, 403, 404
208.8	Other leukemia of unspecified cell type	Y	17	400, 401, 402, 403, 404
208.9	Unspecified leukemia	Y	17	400, 401, 402, 403, 404
491.2	Obstructive chronic bronchitis	Y	04	88
524.6	Temporomandibular joint disorders	N	03	185, 186, 187
535.0	Acute gastritis	Y	06	182, 183, 184
535.1	Atrophic gastritis	N	06	182, 183, 184
535.2	Gastric mucosal hypertrophy	N	06	182, 183, 184
535.3	Alcoholic gastritis	N	06	182, 183, 184
535.4	Other specified gastritis	N	06	182, 183, 184
535.5	Unspecified gastritis and gastroduodenitis	N	06	182, 183, 184
535.6	Duodenitis	N	06	182, 183, 184
702	Other dermatoses	N	09	283, 284

<sup>1</sup> See Table 6a for new diagnosis codes (4 or 5 digits) that will be considered valid by the FY 1992 GROUPE.

TABLE 6D—INVALID PROCEDURE CODES

Procedure code	Description	OR	MDC	DRG
13.61	Dissection of primary membranous cataract	Y	02	39
13.62	Excision of primary membranous cataract	Y	02	39
13.63	Mechanical fragmentation of primary membranous cataract	Y	02	39
29.3	Excision or destruction of lesion or tissue of pharynx <sup>1</sup>	Y	03	63
			06	154, 155, 156
36.00	Removal of coronary artery obstruction, not otherwise specified	Y	05	110, 111
51.21	Partial cholecystectomy	Y	07	193, 194
			21	442, 443
			24	486
78.31	Other change in bone length, scapula, clavicle, and thorax [ribs and sternum]	Y	04	76, 77
			08	233, 234
			21	442, 443
			24	486
93.92	Other mechanical ventilation	( <sup>2</sup> )	04	475

<sup>1</sup> See Table 6b for new procedure codes (4 digits) that will be considered valid by the FY 1992 GROUPE.<sup>2</sup> Non-OR procedure code that affects DRG assignment.

TABLE 6E—REVISED DIAGNOSIS CODE TITLES

Diagnosis code	Description	CC	MDC	DRG
411.81	Coronary occlusion without myocardial infarction	Y	05	124, 140
537.82	Angiodysplasia of stomach and duodenum (without mention of hemorrhage)	N	06	182, 183, 184
562.00	Diverticulosis of small intestine (without mention of hemorrhage)	N	06	182, 183, 184
562.01	Diverticulitis of small intestine (without mention of hemorrhage)	N	06	182, 183, 184
562.10	Diverticulosis of colon (without mention of hemorrhage)	N	06	182, 183, 184
562.11	Diverticulitis of colon (without mention of hemorrhage)	N	06	182, 183, 184
569.84	Angiodysplasia of intestine (without mention of hemorrhage)	N	06	188, 189, 190
578.1	Blood in stool	Y	06	174, 175

TABLE 6F—REVISED PROCEDURE CODE TITLES

Procedure code	Description	OR	MDC	DRG
36.09	Other removal of coronary artery obstruction	Y	05	112
48.85	Dilation of intestine	N		
51.22	Cholecystectomy	Y	07	195, 196, 197, 198
			17	400, 406, 407
			21	442, 443
			24	486
60.94	Control of (postoperative) hemorrhage of prostate	Y	12	344, 345
			21	442, 443

TABLE 6F—REVISED PROCEDURE CODE TITLES—Continued

Procedure code	Description	OR	MDC	DRG
78.10	Application of external fixation device, unspecified site.....	Y	24 08 21 24	486 233, 234, 442, 443, 486
78.11	Application of external fixation device, scapula, clavicle, and thorax [ribs and sternum].....	Y	04 08 21 24	76, 77, 233, 234, 442, 443, 486
78.12	Application of external fixation device, humerus.....	Y	08 21 24	218, 219, 220 442, 443 486
78.13	Application of external fixation device, radius and ulna.....	Y	08 21 24	223, 224, 442, 443, 486
78.14	Application of external fixation device, carpals and metacarpals.....	Y	08 21 24	228, 229 441 486
78.15	Application of external fixation device, femur.....	Y	08 21 24	210, 211, 212 442, 443 485
78.16	Application of external fixation device, patella.....	Y	08 21 24	221, 222 442, 443 486
78.17	Application of external fixation device, tibia and fibula.....	Y	08 21 24	218, 219, 220 442, 443 486
78.18	Application of external fixation device, tarsals and metatarsals.....	Y	8 21 24	225, 442, 443 486
78.19	Application of external fixation device, other.....	Y	08 21 24	233, 234, 442, 443 486
78.20	Limb shortening procedures, unspecified site.....	Y	08 21 24	233, 234 442, 443 486
78.22	Limb shortening procedures, humerus.....	Y	08 21 24	218, 219, 220 442, 443 486
78.23	Limb shortening procedures, radius and ulna.....	Y	08 21 24	223, 224 442, 443 486
78.25	Limb shortening procedures, femur.....	Y	08 21 24	210, 211, 212 442, 443 485
78.27	Limb shortening procedures, tibia and fibula.....	Y	08 21 24	218, 219, 220 442, 443 486
78.29	Limb shortening procedures, other.....	Y	08 21 24	233, 234, 442, 443 486
78.30	Limb lengthening procedures, unspecified site.....	Y	08 21 24	233, 234 442, 443 486
78.32	Limb lengthening procedures, humerus.....	Y	08 21 24	218, 219, 220, 442, 443 486
78.33	Limb lengthening procedures, radius and ulna.....	Y	08 21 24	223, 224 442, 443 486
78.34	Limb lengthening procedures, carpals and metacarpals.....	Y	08 21 24	228, 229 441 486
78.35	Limb lengthening procedures, femur.....	Y	08 21 24	210, 211, 212, 442, 443 485
78.37	Limb lengthening procedures, tibia and fibula.....	Y	08 21 24	218, 219, 220 442, 443 486
78.38	Limb lengthening procedures, tarsals and metatarsals.....	Y	8 21 24	225, 442, 443 486
78.39	Limb lengthening procedures, other.....	Y	08 21 24	233, 234 442, 443 486
92.24	Teleradiotherapy using photons.....	N		

Table 6g - Additions to the CC Exclusions List

CCs that are added to the list are in Table 6g-Additions to the CC Exclusions List. Each of the principal diagnoses is shown with an asterisk, and the revisions to the CC Exclusions List are provided in an indented column immediately following the affected principal diagnosis.

*01580	07052	07049	*07043	07049	07030	6960	1540
6960	07053	07051	07020	07051	07031	*1398	1541
*01581	07059	07052	07021	07052	07041	07020	1542
6960	*0701	07053	07030	07053	07042	07021	1543
*01582	07020	07059	07031	07059	07043	07030	1548
6960	07021	0706	07041	0706	07049	07031	1550
*01583	07030	0709	07042	0709	07051	07041	1551
6960	07031	7800	07043	7800	07052	07042	1552
*01584	07041	*07031	07049	*07053	07053	07043	1560
6960	07042	07020	07051	07020	07059	07049	1561
*01585	07043	07021	07052	07021	*07889	07051	1562
6960	07049	07030	07053	07030	07020	07052	1568
*01586	07051	07031	07059	07031	07021	07053	1569
6960	07052	07041	0706	07041	07030	07059	1570
*01590	07053	07042	0709	07042	07031	*1628	1571
6960	07059	07043	7800	07043	07041	1764	1572
*01591	*07020	07049	*07049	07049	07042	*1629	1573
6960	07020	07051	07020	07051	07043	1764	1574
*01592	07021	07052	07021	07052	07049	*1658	1578
6960	07030	07053	07030	07053	07051	1764	1579
*01593	07031	07059	07031	07059	07052	*1659	*1764
6960	07041	0706	07041	0706	07053	1764	1622
*01594	07042	0709	07042	0709	07059	*1763	1623
6960	07043	7800	07043	7800	*0798	1500	1624
*01595	07049	*07041	07049	*07059	07020	1501	1625
6960	07051	07020	07051	07020	07021	1502	1628
*01596	07052	07021	07052	07021	07030	1503	1629
6960	07053	07030	07053	07030	07031	1504	1764
*01790	07059	07031	07059	07031	07041	1505	*1765
6960	0706	07041	0706	07041	07042	1508	1765
*01791	0709	07042	0709	07042	07043	1509	1960
6960	7800	07043	7800	07043	07049	1510	1961
*01792	*07021	07049	*07051	07049	07051	1511	1962
6960	07020	07051	07020	07051	07052	1512	1963
*01793	07021	07052	07021	07052	07053	1513	1965
6960	07030	07053	07030	07053	07059	1514	1966
*01794	07031	07059	07031	07059	*0799	1515	1968
6960	07041	0706	07041	0706	07020	1516	1969
*01795	07042	0709	07042	0709	07021	1518	*1958
6960	07043	7800	07043	7800	07030	1519	1764
*01796	07049	*07042	07049	*0706	07031	1520	1765
6960	07051	07020	07051	07020	07041	1521	*1960
*03682	07052	07021	07052	07021	07042	1522	1765
6960	07053	07030	07053	07030	07043	1523	*1961
*05671	07059	07031	07059	07031	07049	1528	1765
6960	0706	07041	0706	07041	07051	1529	*1962
*0700	0709	07042	0709	07042	07052	1530	1765
07020	7800	07043	7800	07043	07053	1531	*1963
07021	*07030	07049	*07052	07049	07059	1532	1765
07030	07020	07051	07020	07051	*09850	1533	*1965
07031	07021	07052	07021	07052	6960	1534	1765
07041	07030	07053	07030	07053	*09851	1535	*1966
07042	07031	07059	07031	07059	6960	1536	1765
07043	07041	0706	*0709	*09859	1537	*1968	
07049	07042	0709	07042	07020	6960	1538	1765
07051	07043	7800	07043	07021	*09889	1539	*1969

1765	20810	20801	20800	20781	20780	20721	20720
*1990	20811	20810	20801	20800	20781	20780	20721
1764	20820	20811	20810	20801	20800	20781	20780
1765	20821	20820	20811	20810	20801	20800	20781
*1991	20880	20821	20820	20811	20810	20801	20800
1764	20881	20880	20821	20820	20811	20810	20801
1765	20890	20881	20880	20821	20820	20811	20810
*20300	20891	20890	20881	20880	20821	20820	20811
20300	*20301	20891	20890	20881	20880	20821	20820
20301	20300	*20310	20891	20890	20881	20880	20821
20310	20301	20300	*20311	20891	20890	20881	20880
20311	20310	20301	20300	*20380	20891	20890	20881
20380	20311	20310	20301	20300	*20381	20891	20890
20381	20380	20311	20310	20301	20300	*20400	20891
20400	20381	20380	20311	20310	20301	20300	*20401
20401	20400	20381	20380	20311	20310	20301	20300
20410	20401	20400	20381	20380	20311	20310	20301
20411	20410	20401	20400	20381	20380	20311	20310
20420	20411	20410	20401	20400	20381	20380	20311
20421	20420	20411	20410	20401	20400	20381	20380
20480	20421	20420	20411	20410	20401	20400	20381
20481	20480	20421	20420	20411	20410	20401	20400
20490	20481	20480	20421	20420	20411	20410	20401
20491	20490	20481	20480	20421	20420	20411	20410
20500	20491	20490	20481	20480	20421	20420	20411
20501	20500	20491	20490	20481	20480	20421	20420
20510	20501	20500	20491	20490	20481	20480	20421
20511	20510	20501	20500	20491	20490	20481	20480
20520	20511	20510	20501	20500	20491	20490	20481
20521	20520	20511	20510	20501	20500	20491	20490
20530	20521	20520	20511	20510	20501	20500	20491
20531	20530	20521	20520	20511	20510	20501	20500
20580	20531	20530	20521	20520	20511	20510	20501
20581	20580	20531	20530	20521	20520	20511	20510
20590	20581	20580	20531	20530	20521	20520	20511
20591	20590	20581	20580	20531	20530	20521	20520
20600	20591	20590	20581	20580	20531	20530	20521
20601	20600	20591	20590	20581	20580	20531	20530
20610	20601	20600	20591	20590	20581	20580	20531
20611	20610	20601	20600	20591	20590	20581	20580
20620	20611	20610	20601	20600	20591	20590	20581
20621	20620	20611	20610	20601	20600	20591	20590
20680	20621	20620	20611	20610	20601	20600	20591
20681	20680	20621	20620	20611	20610	20601	20600
20690	20681	20680	20621	20620	20611	20610	20601
20691	20690	20681	20680	20621	20620	20611	20610
20700	20691	20690	20681	20680	20621	20620	20611
20701	20700	20691	20690	20681	20680	20621	20620
20710	20701	20700	20691	20690	20681	20680	20621
20711	20710	20701	20700	20691	20690	20681	20680
20720	20711	20710	20701	20700	20691	20690	20681
20721	20720	20711	20710	20701	20700	20691	20690
20780	20721	20720	20711	20710	20701	20700	20691
20781	20780	20721	20720	20711	20710	20701	20700
20800	20781	20780	20721	20720	20711	20710	20701
20801	20800	20781	20780	20721	20720	20711	20710

20711	20710	20701	20700	20691	20690	20681	20680
20720	20711	20710	20701	20700	20691	20690	20681
20721	20720	20711	20710	20701	20700	20691	20690
20780	20721	20720	20711	20710	20701	20700	20691
20781	20780	20721	20720	20711	20710	20701	20700
20800	20781	20780	20721	20720	20711	20710	20701
20801	20800	20781	20780	20721	20720	20711	20710
20810	20801	20800	20781	20780	20721	20720	20711
20811	20810	20801	20800	20781	20780	20721	20720
20820	20811	20810	20801	20800	20781	20780	20721
20821	20820	20811	20810	20801	20800	20781	20780
20880	20821	20820	20811	20810	20801	20800	20781
20881	20880	20821	20820	20811	20810	20801	20800
20890	20881	20880	20821	20820	20811	20810	20801
20891	20890	20881	20880	20821	20820	20811	20810
*20410	20891	20890	20881	20880	20821	20820	20811
20300	*20411	20891	20890	20881	20880	20821	20820
20301	20300	*20420	20891	20890	20881	20880	20821
20310	20301	20300	*20421	20891	20890	20881	20880
20311	20310	20301	20300	*20480	20891	20890	20881
20380	20311	20310	20301	20300	*20481	20891	20890
20381	20380	20311	20310	20301	20300	*20490	20891
20400	20381	20380	20311	20310	20301	20300	*20491
20401	20400	20381	20380	20311	20310	20301	20300
20410	20401	20400	20381	20380	20311	20310	20301
20411	20410	20401	20400	20381	20380	20311	20310
20420	20411	20410	20401	20400	20381	20380	20311
20421	20420	20411	20410	20401	20400	20381	20380
20480	20421	20420	20411	20410	20401	20400	20381
20481	20480	20421	20420	20411	20410	20401	20400
20490	20481	20480	20421	20420	20411	20410	20401
20491	20490	20481	20480	20421	20420	20411	20410
20500	20491	20490	20481	20480	20421	20420	20411
20501	20500	20491	20490	20481	20480	20421	20420
20510	20501	20500	20491	20490	20481	20480	20421
20511	20510	20501	20500	20491	20490	20481	20480
20520	20511	20510	20501	20500	20491	20490	20481
20521	20520	20511	20510	20501	20500	20491	20490
20530	20521	20520	20511	20510	20501	20500	20491
20531	20530	20521	20520	20511	20510	20501	20500
20580	20531	20530	20521	20520	20511	20510	20501
20581	20580	20531	20530	20521	20520	20511	20510
20590	20581	20580	20531	20530	20521	20520	20511
20591	20590	20581	20580	20531	20530	20521	20520
20600	20591	20590	20581	20580	20531	20530	20521
20601	20600	20591	20590	20581	20580	20531	20530
20610	20601	20600	20591	20590	20581	20580	20531
20611	20610	20601	20600	20591	20590	20581	20580
20620	20611	20610	20601	20600	20591	20590	20581
20621	20620	20611	20610	20601	20600	20591	20590
20680	20621	20620	20611	20610	20601	20600	20591
20681	20680	20621	20620	20611	20610	20601	20600
20690	20681	20680	20621	20620	20611	20610	20601
20691	20690	20681	20680	20621	20620	20611	20610
20700	20691	20690	20681	20680	20621	20620	20611
20701	20700	20691	20690	20681	20680	20621	20620



20621	20620	20611	20610	20601	20600	20591	20590
20680	20621	20620	20611	20610	20601	20600	20591
20681	20680	20621	20620	20611	20610	20601	20600
20690	20681	20680	20621	20620	20611	20610	20601
20691	20690	20681	20680	20621	20620	20611	20610
20700	20691	20690	20681	20680	20621	20620	20611
20701	20700	20691	20690	20681	20680	20621	20620
20710	20701	20700	20691	20690	20681	20680	20621
20711	20710	20701	20700	20691	20690	20681	20680
20720	20711	20710	20701	20700	20691	20690	20681
20721	20720	20711	20710	20701	20700	20691	20690
20780	20721	20720	20711	20710	20701	20700	20691
20781	20780	20721	20720	20711	20710	20701	20700
20800	20781	20780	20721	20720	20711	20710	20701
20801	20800	20781	20780	20721	20720	20711	20710
20810	20801	20800	20781	20780	20721	20720	20711
20811	20810	20801	20800	20781	20780	20721	20720
20820	20811	20810	20801	20800	20781	20780	20721
20821	20820	20811	20810	20801	20800	20781	20780
20880	20821	20820	20811	20810	20801	20800	20781
20881	20880	20821	20820	20811	20810	20801	20800
20890	20881	20880	20821	20820	20811	20810	20801
20891	20890	20881	20880	20821	20820	20811	20810
*20500	20891	20890	20881	20880	20821	20820	20811
20300	*20501	20891	20890	20881	20880	20821	20820
20301	20300	*20510	20891	20890	20881	20880	20821
20310	20301	20300	*20511	20891	20890	20881	20880
20311	20310	20301	20300	*20520	20891	20890	20881
20380	20311	20310	20301	20300	*20521	20891	20890
20381	20380	20311	20310	20301	20300	*20530	20891
20400	20381	20380	20311	20310	20301	20300	*20531
20401	20400	20381	20380	20311	20310	20301	20300
20410	20401	20400	20381	20380	20311	20310	20301
20411	20410	20401	20400	20381	20380	20311	20310
20420	20411	20410	20401	20400	20381	20380	20311
20421	20420	20411	20410	20401	20400	20381	20380
20480	20421	20420	20411	20410	20401	20400	20381
20481	20480	20421	20420	20411	20410	20401	20400
20490	20481	20480	20421	20420	20411	20410	20401
20491	20490	20481	20480	20421	20420	20411	20410
20500	20491	20490	20481	20480	20421	20420	20411
20501	20500	20491	20490	20481	20480	20421	20420
20510	20501	20500	20491	20490	20481	20480	20421
20511	20510	20501	20500	20491	20490	20481	20480
20520	20511	20510	20501	20500	20491	20490	20481
20521	20520	20511	20510	20501	20500	20491	20490
20530	20521	20520	20511	20510	20501	20500	20491
20531	20530	20521	20520	20511	20510	20501	20500
20580	20531	20530	20521	20520	20511	20510	20501
20581	20580	20531	20530	20521	20520	20511	20510
20590	20581	20580	20531	20530	20521	20520	20511
20591	20590	20581	20580	20531	20530	20521	20520
20600	20591	20590	20581	20580	20531	20530	20521
20601	20600	20591	20590	20581	20580	20531	20530
20610	20601	20600	20591	20590	20581	20580	20531
20611	20610	20601	20600	20591	20590	20581	20580

20581	20580	20531	20530	20521	20520	20511	20510
20590	20581	20580	20531	20530	20521	20520	20511
20591	20590	20581	20580	20531	20530	20521	20520
20600	20591	20590	20581	20580	20531	20530	20521
20601	20600	20591	20590	20581	20580	20531	20530
20610	20601	20600	20591	20590	20581	20580	20531
20611	20610	20601	20600	20591	20590	20581	20580
20620	20611	20610	20601	20600	20591	20590	20581
20621	20620	20611	20610	20601	20600	20591	20590
20680	20621	20620	20611	20610	20601	20600	20591
20681	20680	20621	20620	20611	20610	20601	20600
20690	20681	20680	20621	20620	20611	20610	20601
20691	20690	20681	20680	20621	20620	20611	20610
20700	20691	20690	20681	20680	20621	20620	20611
20701	20700	20691	20690	20681	20680	20621	20620
20710	20701	20700	20691	20690	20681	20680	20621
20711	20710	20701	20700	20691	20690	20681	20680
20720	20711	20710	20701	20700	20691	20690	20681
20721	20720	20711	20710	20701	20700	20691	20690
20780	20721	20720	20711	20710	20701	20700	20691
20781	20780	20721	20720	20711	20710	20701	20700
20800	20781	20780	20721	20720	20711	20710	20701
20801	20800	20781	20780	20721	20720	20711	20710
20810	20801	20800	20781	20780	20721	20720	20711
20811	20810	20801	20800	20781	20780	20721	20720
20820	20811	20810	20801	20800	20781	20780	20721
20821	20820	20811	20810	20801	20800	20781	20780
20880	20821	20820	20811	20810	20801	20800	20781
20881	20880	20821	20820	20811	20810	20801	20800
20890	20881	20880	20821	20820	20811	20810	20801
20891	20890	20881	20880	20821	20820	20811	20810
*20580	20891	20890	20881	20880	20821	20820	20811
20300	*20581	20891	20890	20881	20880	20821	20820
20301	20300	*20590	20891	20890	20881	20880	20821
20310	20301	20300	*20591	20891	20890	20881	20880
20311	20310	20301	20300	*20600	20891	20890	20881
20380	20311	20310	20301	20300	*20601	20891	20890
20381	20380	20311	20310	20301	20300	*20610	20891
20400	20381	20380	20311	20310	20301	20300	*20611
20401	20400	20381	20380	20311	20310	20301	20300
20410	20401	20400	20381	20380	20311	20310	20301
20411	20410	20401	20400	20381	20380	20311	20310
20420	20411	20410	20401	20400	20381	20380	20311
20421	20420	20411	20410	20401	20400	20381	20380
20480	20421	20420	20411	20410	20401	20400	20381
20481	20480	20421	20420	20411	20410	20401	20400
20490	20481	20480	20421	20420	20411	20410	20401
20491	20490	20481	20480	20421	20420	20411	20410
20500	20491	20490	20481	20480	20421	20420	20411
20501	20500	20491	20490	20481	20480	20421	20420
20510	20501	20500	20491	20490	20481	20480	20421
20511	20510	20501	20500	20491	20490	20481	20480
20520	20511	20510	20501	20500	20491	20490	20481
20521	20520	20511	20510	20501	20500	20491	20490
20530	20521	20520	20511	20510	20501	20500	20491
20531	20530	20521	20520	20511	20510	20501	20500

20501	20500	20491	20490	20481	20480	20471	20470
20510	20501	20500	20491	20490	20481	20480	20471
20511	20510	20501	20500	20491	20490	20481	20480
20520	20511	20510	20501	20500	20491	20490	20481
20521	20520	20511	20510	20501	20500	20491	20490
20530	20521	20520	20511	20510	20501	20500	20491
20531	20530	20521	20520	20511	20510	20501	20500
20580	20531	20530	20521	20520	20511	20510	20501
20581	20580	20531	20530	20521	20520	20511	20510
20590	20581	20580	20531	20530	20521	20520	20511
20591	20590	20581	20580	20531	20530	20521	20520
20600	20591	20590	20581	20580	20531	20530	20521
20601	20600	20591	20590	20581	20580	20531	20530
20610	20601	20600	20591	20590	20581	20580	20531
20611	20610	20601	20600	20591	20590	20581	20580
20620	20611	20610	20601	20600	20591	20590	20581
20621	20620	20611	20610	20601	20600	20591	20590
20680	20621	20620	20611	20610	20601	20600	20591
20681	20680	20621	20620	20611	20610	20601	20600
20690	20681	20680	20621	20620	20611	20610	20601
20691	20690	20681	20680	20621	20620	20611	20610
20700	20691	20690	20681	20680	20621	20620	20611
20701	20700	20691	20690	20681	20680	20621	20620
20710	20701	20700	20691	20690	20681	20680	20621
20711	20710	20701	20700	20691	20690	20681	20680
20720	20711	20710	20701	20700	20691	20690	20681
20721	20720	20711	20710	20701	20700	20691	20690
20780	20721	20720	20711	20710	20701	20700	20691
20781	20780	20721	20720	20711	20710	20701	20700
20800	20781	20780	20721	20720	20711	20710	20701
20801	20800	20781	20780	20721	20720	20711	20710
20810	20801	20800	20781	20780	20721	20720	20711
20811	20810	20801	20800	20781	20780	20721	20720
20820	20811	20810	20801	20800	20781	20780	20721
20821	20820	20811	20810	20801	20800	20781	20780
20880	20821	20820	20811	20810	20801	20800	20781
20881	20880	20821	20820	20811	20810	20801	20800
20890	20881	20880	20821	20820	20811	20810	20801
20891	20890	20881	20880	20821	20820	20811	20810
*20620	20891	20890	20881	20880	20821	20820	20811
20300	*20621	20891	20890	20881	20880	20821	20820
20301	20300	*20680	20891	20890	20881	20880	20821
20310	20301	20300	*20681	20891	20890	20881	20880
20311	20310	20301	20300	*20690	20891	20890	20881
20380	20311	20310	20301	20300	*20691	20891	20890
20381	20380	20311	20310	20301	20300	*20700	20891
20400	20381	20380	20311	20310	20301	20300	*20701
20401	20400	20381	20380	20311	20310	20301	20300
20410	20401	20400	20381	20380	20311	20310	20301
20411	20410	20401	20400	20381	20380	20311	20310
20420	20411	20410	20401	20400	20381	20380	20311
20421	20420	20411	20410	20401	20400	20381	20380
20480	20421	20420	20411	20410	20401	20400	20381
20481	20480	20421	20420	20411	20410	20401	20400
20490	20481	20480	20421	20420	20411	20410	20401
20491	20490	20481	20480	20421	20420	20411	20410

## Page 7 of 17 Pages

20411	20410	20401	20400	20381	20380	20311	20310
20420	20411	20410	20401	20400	20381	20380	20311
20421	20420	20411	20410	20401	20400	20381	20380
20480	20421	20420	20411	20410	20401	20400	20381
20481	20480	20421	20420	20411	20410	20401	20400
20490	20481	20480	20421	20420	20411	20410	20401
20491	20490	20481	20480	20421	20420	20411	20410
20500	20491	20490	20481	20480	20421	20420	20411
20501	20500	20491	20490	20481	20480	20421	20420
20510	20501	20500	20491	20490	20481	20480	20421
20511	20510	20501	20500	20491	20490	20481	20480
20520	20511	20510	20501	20500	20491	20490	20481
20521	20520	20511	20510	20501	20500	20491	20490
20530	20521	20520	20511	20510	20501	20500	20491
20531	20530	20521	20520	20511	20510	20501	20500
20580	20531	20530	20521	20520	20511	20510	20501
20581	20580	20531	20530	20521	20520	20511	20510
20590	20581	20580	20531	20530	20521	20520	20511
20591	20590	20581	20580	20531	20530	20521	20520
20600	20591	20590	20581	20580	20531	20530	20521
20601	20600	20591	20590	20581	20580	20531	20530
20610	20601	20600	20591	20590	20581	20580	20531
20611	20610	20601	20600	20591	20590	20581	20580
20620	20611	20610	20601	20600	20591	20590	20581
20621	20620	20611	20610	20601	20600	20591	20590
20680	20621	20620	20611	20610	20601	20600	20591
20681	20680	20621	20620	20611	20610	20601	20600
20690	20681	20680	20621	20620	20611	20610	20601
20691	20690	20681	20680	20621	20620	20611	20610
20700	20691	20690	20681	20680	20621	20620	20611
20701	20700	20691	20690	20681	20680	20621	20620
20710	20701	20700	20691	20690	20681	20680	20621
20711	20710	20701	20700	20691	20690	20681	20680
20720	20711	20710	20701	20700	20691	20690	20681
20721	20720	20711	20710	20701	20700	20691	20690
20780	20721	20720	20711	20710	20701	20700	20691
20781	20780	20721	20720	20711	20710	20701	20700
20800	20781	20780	20721	20720	20711	20710	20701
20801	20800	20781	20780	20721	20720	20711	20710
20810	20801	20800	20781	20780	20721	20720	20711
20811	20810	20801	20800	20781	20780	20721	20720
20820	20811	20810	20801	20800	20781	20780	20721
20821	20820	20811	20810	20801	20800	20781	20780
20880	20821	20820	20811	20810	20801	20800	20781
20881	20880	20821	20820	20811	20810	20801	20800
20890	20881	20880	20821	20820	20811	20810	20801
20891	20890	20881	20880	20821	20820	20811	20810
*20710	20891	20890	20881	20880	20821	20820	20811
20300	*20711	20891	20890	20881	20880	20821	20820
20301	20300	*20720	20891	20890	20881	20880	20821
20310	20301	20300	*20721	20891	20890	20881	20880
20311	20310	20301	20300	*20780	20891	20890	20881
20380	20311	20310	20301	20300	*20781	20891	20890
20381	20380	20311	20310	20301	20300	*20800	20891
20400	20381	20380	20311	20310	20301	20300	*20801
20401	20400	20381	20380	20311	20310	20301	20300

20301	20300	*20811	20891	20890	20881	20880	20821
20310	20301	20300	*20820	20891	20890	20881	20880
20311	20310	20301	20300	*20821	20891	20890	20881
20380	20311	20310	20301	20300	*20880	20891	20890
20381	20380	20311	20310	20301	20300	*20881	20891
20400	20381	20380	20311	20310	20301	20300	*20890
20401	20400	20381	20380	20311	20310	20301	20300
20410	20401	20400	20381	20380	20311	20310	20301
20411	20410	20401	20400	20381	20380	20311	20310
20420	20411	20410	20401	20400	20381	20380	20311
20421	20420	20411	20410	20401	20400	20381	20380
20480	20421	20420	20411	20410	20401	20400	20381
20481	20480	20421	20420	20411	20410	20401	20400
20490	20481	20480	20421	20420	20411	20410	20401
20491	20490	20481	20480	20421	20420	20411	20410
20500	20491	20490	20481	20480	20421	20420	20411
20501	20500	20491	20490	20481	20480	20421	20420
20510	20501	20500	20491	20490	20481	20480	20421
20511	20510	20501	20500	20491	20490	20481	20480
20520	20511	20510	20501	20500	20491	20490	20481
20521	20520	20511	20510	20501	20500	20491	20490
20530	20521	20520	20511	20510	20501	20500	20491
20531	20530	20521	20520	20511	20510	20501	20500
20580	20531	20530	20521	20520	20511	20510	20501
20581	20580	20531	20530	20521	20520	20511	20510
20590	20581	20580	20531	20530	20521	20520	20511
20591	20590	20581	20580	20531	20530	20521	20520
20600	20591	20590	20581	20580	20531	20530	20521
20601	20600	20591	20590	20581	20580	20531	20530
20610	20601	20600	20591	20590	20581	20580	20531
20611	20610	20601	20600	20591	20590	20581	20580
20620	20611	20610	20601	20600	20591	20590	20581
20621	20620	20611	20610	20601	20600	20591	20590
20680	20621	20620	20611	20610	20601	20600	20591
20681	20680	20621	20620	20611	20610	20601	20600
20690	20681	20680	20621	20620	20611	20610	20601
20691	20690	20681	20680	20621	20620	20611	20610
20700	20691	20690	20681	20680	20621	20620	20611
20701	20700	20691	20690	20681	20680	20621	20620
20710	20701	20700	20691	20690	20681	20680	20621
20711	20710	20701	20700	20691	20690	20681	20680
20720	20711	20710	20701	20700	20691	20690	20681
20721	20720	20711	20710	20701	20700	20691	20690
20780	20721	20720	20711	20710	20701	20700	20691
20781	20780	20721	20720	20711	20710	20701	20700
20800	20781	20780	20721	20720	20711	20710	20701
20801	20800	20781	20780	20721	20720	20711	20710
20810	20801	20800	20781	20780	20721	20720	20711
20811	20810	20801	20800	20781	20780	20721	20720
20820	20811	20810	20801	20800	20781	20780	20721
20821	20820	20811	20810	20801	20800	20781	20780
20880	20821	20820	20811	20810	20801	20800	20781
20881	20880	20821	20820	20811	20810	20801	20800
20890	20881	20880	20821	20820	20811	20810	20801
20891	20890	20881	20880	20821	20820	20811	20810
*20810	20891	20890	20881	20880	20821	20820	20811

20820	20811	20780	20711	29381	29381	29381	29381
20821	20820	20781	20720	29382	29382	29382	29382
20880	20821	20800	20721	29383	29383	29383	29383
20881	20880	20801	20780	*2913	*2929	*30302	*30420
20890	20881	20810	20781	29381	29381	29381	29381
20891	20890	20811	20800	29382	29382	29382	29382
*20891	20891	20820	20801	29383	29383	29383	29383
20300	*2391	20821	20810	*2914	*2930	*30303	*30421
20301	1764	20880	20811	29381	29381	29381	29381
20310	*2398	20881	20820	29382	29382	29382	29382
20311	1764	20890	20821	29383	29383	29383	29383
20380	1765	20891	20880	*2915	*2931	*30390	*30422
20381	20300	*2399	20881	29381	29381	29381	29381
20400	20301	1764	20890	29382	29382	29382	29382
20401	20310	1765	20891	29383	29383	29383	29383
20410	20311	20300	*25070	*2918	*29381	*30391	*30423
20411	20380	20301	4538	29381	29381	29381	29381
20420	20381	20310	4539	29382	29382	29382	29382
20421	20400	20311	*25071	29383	29383	29383	29383
20480	20401	20380	4538	*2919	*29382	*30392	*30430
20481	20410	20381	4539	29381	29381	29381	29381
20490	20411	20400	*25080	29382	29382	29382	29382
20491	20420	20401	4538	29383	29383	29383	29383
20500	20421	20410	4539	*2920	*29383	*30393	*30431
20501	20480	20411	*25081	29381	29381	29381	29381
20510	20481	20420	4538	29382	29382	29382	29382
20511	20490	20421	4539	29383	29383	29383	29383
20520	20491	20480	*25090	*29211	*29389	*30400	*30432
20521	20500	20481	4538	29381	29381	29381	29381
20530	20501	20490	4539	29382	29382	29382	29382
20531	20510	20491	*25091	29383	29383	29383	29383
20580	20511	20500	4538	*29212	*2939	*30401	*30433
20581	20520	20501	4539	29381	29381	29381	29381
20590	20521	20510	*2515	29382	29382	29382	29382
20591	20530	20511	53501	29383	29383	29383	29383
20600	20531	20520	53511	*2922	*2940	*30402	*30440
20601	20580	20521	53521	29381	29381	29381	29381
20610	20581	20530	53531	29382	29382	29382	29382
20611	20590	20531	53541	29383	29383	29383	29383
20620	20591	20580	53551	*29281	*2941	*30403	*30441
20621	20600	20581	53561	29381	29381	29381	29381
20680	20601	20590	53783	29382	29382	29382	29382
20681	20610	20591	56202	29383	29383	29383	29383
20690	20611	20600	56203	*29282	*2948	*30410	*30442
20691	20620	20601	56212	29381	29381	29381	29381
20700	20621	20610	56213	29382	29382	29382	29382
20701	20680	20611	56985	29383	29383	29383	29383
20710	20681	20620	*2910	*29283	*2949	*30411	*30443
20711	20690	20621	29381	29381	29381	29381	29381
20720	20691	20680	29382	29382	29382	29382	29382
20721	20700	20681	29383	29383	29383	29383	29383
20780	20701	20690	*2911	*29284	*30300	*30412	*30450
20781	20710	20691	29381	29381	29381	29381	29381
20800	20711	20700	29382	29382	29382	29382	29382
20801	20720	20701	29383	29383	29383	29383	29383
20810	20721	20710	*2912	*29289	*30301	*30413	*30451

29381	29381	29381	29381	4539	53531	53531	53531
29382	29382	29382	29382	*4560	53541	53541	53541
29383	29383	29383	29383	53501	53551	53551	53551
*30452	*30490	*30532	*30570	53511	53561	53561	53561
29381	29381	29381	29381	53521	53783	53783	53783
29382	29382	29382	29382	53531	56202	56202	56202
29383	29383	29383	29383	53541	56203	56203	56203
*30453	*30491	*30533	*30571	53551	56212	56212	56212
29381	29381	29381	29381	53561	56213	56213	56213
29382	29382	29382	29382	53783	56985	56985	56985
29383	29383	29383	29383	56202	*5307	*53111	*53131
*30460	*30492	*30540	*30572	56203	53501	53501	53501
29381	29381	29381	29381	56212	53511	53511	53511
29382	29382	29382	29382	56213	53521	53521	53521
29383	29383	29383	29383	56985	53531	53531	53531
*30461	*30493	*30541	*30573	*45989	53541	53541	53541
29381	29381	29381	29381	4538	53551	53551	53551
29382	29382	29382	29382	4539	53561	53561	53561
29383	29383	29383	29383	*4599	53783	53783	53783
*30462	*30500	*30542	*30580	4538	56202	56202	56202
29381	29381	29381	29381	4539	56203	56203	56203
29382	29382	29382	29382	*4911	56212	56212	56212
29383	29383	29383	29383	49120	56213	56213	56213
*30463	*30501	*30543	*30581	49121	56985	56985	56985
29381	29381	29381	29381	*49120	*53100	*53120	*53140
29382	29382	29382	29382	4911	53501	53501	53501
29383	29383	29383	29383	49120	53511	53511	53511
*30470	*30502	*30550	*30582	49121	53521	53521	53521
29381	29381	29381	29381	4918	53531	53531	53531
29382	29382	29382	29382	4919	53541	53541	53541
29383	29383	29383	29383	49320	53551	53551	53551
*30471	*30503	*30551	*30583	49321	53561	53561	53561
29381	29381	29381	29381	*49121	53783	53783	53783
29382	29382	29382	29382	4911	56202	56202	56202
29383	29383	29383	29383	49120	56203	56203	56203
*30472	*30520	*30552	*30590	49121	56212	56212	56212
29381	29381	29381	29381	4918	56213	56213	56213
29382	29382	29382	29382	4919	56985	56985	56985
29383	29383	29383	29383	49320	*53101	*53121	*53141
*30473	*30521	*30553	*30591	49321	53501	53501	53501
29381	29381	29381	29381	*4918	53511	53511	53511
29382	29382	29382	29382	49120	53521	53521	53521
29383	29383	29383	29383	49121	53531	53531	53531
*30480	*30522	*30560	*30592	*4919	53541	53541	53541
29381	29381	29381	29381	49120	53551	53551	53551
29382	29382	29382	29382	49121	53561	53561	53561
29383	29383	29383	29383	*49320	53783	53783	53783
*30481	*30523	*30561	*30593	49120	56202	56202	56202
29381	29381	29381	29381	49121	56203	56203	56203
29382	29382	29382	29382	*49321	56212	56212	56212
29383	29383	29383	29383	49120	56213	56213	56213
*30482	*30530	*30562	*4538	49121	56985	56985	56985
29381	29381	29381	4538	*5302	*53110	*53130	*53150
29382	29382	29382	4539	53501	53501	53501	53501
29383	29383	29383	*4539	53511	53511	53511	53511
*30483	*30531	*30563	4538	53521	53521	53521	53521





[illegible]

53291	53120	53501	53321	53151	53561	53360	53201
53300	53121	53511	53331	53160	53783	53361	53210
53301	53131	53521	53340	53161	56202	53371	53211
53310	53140	53531	53341	53171	56203	53391	53220
53311	53141	53541	53350	53191	56212	53400	53221
53320	53150	53551	53351	53200	56213	53401	53231
53321	53151	53561	53360	53201	5693	53410	53240
53331	53160	53783	53361	53210	56985	53411	53241
53340	53161	56202	53371	53211	5780	53420	53250
53341	53171	56203	53391	53220	5781	53421	53251
53350	53191	56212	53400	53221	5789	53431	53260
53351	53200	56213	53401	53231	9981	53440	53261
53360	53201	5693	53410	53240	*53541	53441	53271
53361	53210	56985	53411	53241	4560	53450	53291
53371	53211	5780	53420	53250	5307	53451	53300
53391	53220	5781	53421	53251	53100	53460	53301
53400	53221	5789	53431	53260	53101	53461	53310
53401	53231	9981	53440	53261	53110	53471	53311
53410	53240	*53521	53441	53271	53111	53491	53320
53411	53241	4560	53450	53291	53120	53501	53321
53420	53250	5307	53451	53300	53121	53511	53331
53421	53251	53100	53460	53301	53131	53521	53340
53431	53260	53101	53461	53310	53140	53531	53341
53440	53261	53110	53471	53311	53141	53541	53350
53441	53271	53111	53491	53320	53150	53551	53351
53450	53291	53120	53501	53321	53151	53561	53360
53451	53300	53121	53511	53331	53160	53783	53361
53460	53301	53131	53521	53340	53161	56202	53371
53461	53310	53140	53531	53341	53171	56203	53391
53471	53311	53141	53541	53350	53191	56212	53400
53491	53320	53150	53551	53351	53200	56213	53401
53501	53321	53151	53561	53360	53201	5693	53410
53511	53331	53160	53783	53361	53210	56985	53411
53521	53340	53161	56202	53371	53211	5780	53420
53531	53341	53171	56203	53391	53220	5781	53421
53541	53350	53191	56212	53400	53221	5789	53431
53551	53351	53200	56213	53401	53231	9981	53440
53561	53360	53201	5693	53410	53240	*53551	53441
53783	53361	53210	56985	53411	53241	4560	53450
56202	53371	53211	5780	53420	53250	5307	53451
56203	53391	53220	5781	53421	53251	53100	53460
56212	53400	53221	5789	53431	53260	53101	53461
56213	53401	53231	9981	53440	53261	53110	53471
5693	53410	53240	*53531	53441	53271	53111	53491
56985	53411	53241	4560	53450	53291	53120	53501
5780	53420	53250	5307	53451	53300	53121	53511
5781	53421	53251	53100	53460	53301	53131	53521
5789	53431	53260	53101	53461	53310	53140	53531
9981	53440	53261	53110	53471	53311	53141	53541
*53511	53441	53271	53111	53491	53320	53150	53551
4560	53450	53291	53120	53501	53321	53151	53561
5307	53451	53300	53121	53511	53331	53160	53783
53100	53460	53301	53131	53521	53340	53161	56202
53101	53461	53310	53140	53531	53341	53171	56203
53110	53471	53311	53141	53541	53350	53191	56212
53111	53491	53320	53150	53551	53351	53200	56213

5693	53410	53240	*56202	53441	53271	53111	53491
56985	53411	53241	4560	53450	53291	53120	53501
5780	53420	53250	5307	53451	53300	53121	53511
5781	53421	53251	53100	53460	53301	53131	53521
5789	53431	53260	53101	53461	53310	53140	53531
9981	53440	53261	53110	53471	53311	53141	53541
*53561	53441	53271	53111	53491	53320	53150	53551
4560	53450	53291	53120	53501	53321	53151	53561
5307	53451	53300	53121	53511	53331	53160	53783
53100	53460	53301	53131	53521	53340	53161	56202
53101	53461	53310	53140	53531	53341	53171	56203
53110	53471	53311	53141	53541	53350	53191	56212
53111	53491	53320	53150	53551	53351	53200	56213
53120	53501	53321	53151	53561	53360	53201	5693
53121	53511	53331	53160	53783	53361	53210	56985
53131	53521	53340	53161	56202	53371	53211	5780
53140	53531	53341	53171	56203	53391	53220	5781
53141	53541	53350	53191	56212	53400	53221	5789
53150	53551	53351	53200	56213	53401	53231	9981
53151	53561	53360	53201	5693	53410	53240	*56213
53160	53783	53361	53210	56985	53411	53241	4560
53161	56202	53371	53211	5780	53420	53250	5307
53171	56203	53391	53220	5781	53421	53251	53100
53191	56212	53400	53221	5789	53431	53260	53101
53200	56213	53401	53231	9981	53440	53261	53110
53201	5693	53410	53240	*56203	53441	53271	53111
53210	56985	53411	53241	4560	53450	53291	53120
53211	5780	53420	53250	5307	53451	53300	53121
53220	5781	53421	53251	53100	53460	53301	53131
53221	5789	53431	53260	53101	53461	53310	53140
53231	9981	53440	53261	53110	53471	53311	53141
53240	*53783	53441	53271	53111	53491	53320	53150
53241	4560	53450	53291	53120	53501	53321	53151
53250	5307	53451	53300	53121	53511	53331	53160
53251	53100	53460	53301	53131	53521	53340	53161
53260	53101	53461	53310	53140	53531	53341	53171
53261	53110	53471	53311	53141	53541	53350	53191
53271	53111	53491	53320	53150	53551	53351	53200
53291	53120	53501	53321	53151	53561	53360	53201
53300	53121	53511	53331	53160	53783	53361	53210
53301	53131	53521	53340	53161	56202	53371	53211
53310	53140	53531	53341	53171	56203	53391	53220
53311	53141	53541	53350	53191	56212	53400	53221
53320	53150	53551	53351	53200	56213	53401	53231
53321	53151	53561	53360	53201	5693	53410	53240
53331	53160	53783	53361	53210	56985	53411	53241
53340	53161	56202	53371	53211	5780	53420	53250
53341	53171	56203	53391	53220	5781	53421	53251
53350	53191	56212	53400	53221	5789	53431	53260
53351	53200	56213	53401	53231	9981	53440	53261
53360	53201	5693	53410	53240	*56212	53441	53271
53361	53210	56985	53411	53241	4560	53450	53291
53371	53211	5780	53420	53250	5307	53451	53300
53391	53220	5781	53421	53251	53100	53460	53301
53400	53221	5789	53431	53260	53101	53461	53310
53401	53231	9981	53440	53261	53110	53471	53311

53320	56213	53431	53501	6960	6960	6960	6960
53321	56985	53440	53511	*71121	*71149	*71177	*71215
53331	*56985	53441	53521	6960	6960	6960	6960
53340	4560	53450	53531	*71122	*71150	*71178	*71216
53341	5307	53451	53541	6960	6960	6960	6960
53350	53100	53460	53551	*71123	*71151	*71179	*71217
53351	53101	53461	53561	6960	6960	6960	6960
53360	53110	53471	53783	*71124	*71152	*71180	*71218
53361	53111	53491	56202	6960	6960	6960	6960
53371	53120	53501	56203	*71125	*71153	*71181	*71219
53391	53121	53511	56212	6960	6960	6960	6960
53400	53131	53521	56213	*71126	*71154	*71182	*71220
53401	53140	53531	56985	6960	6960	6960	6960
53410	53141	53541	*6960	*71127	*71155	*71183	*71221
53411	53150	53551	6960	6960	6960	6960	6960
53420	53151	53561	*71100	*71128	*71156	*71184	*71222
53421	53160	53783	6960	6960	6960	6960	6960
53431	53161	56202	*71101	*71129	*71157	*71185	*71223
53440	53171	56203	6960	6960	6960	6960	6960
53441	53191	56212	*71102	*71130	*71158	*71186	*71224
53450	53200	56213	6960	6960	6960	6960	6960
53451	53201	5693	*71103	*71131	*71159	*71187	*71225
53460	53210	56985	6960	6960	6960	6960	6960
53461	53211	5780	*71104	*71132	*71160	*71188	*71226
53471	53220	5781	6960	6960	6960	6960	6960
53491	53221	5789	*71105	*71133	*71161	*71189	*71227
53501	53231	9981	6960	6960	6960	6960	6960
53511	53240	*5780	*71106	*71134	*71162	*71190	*71228
53521	53241	53501	6960	6960	6960	6960	6960
53531	53250	53511	*71107	*71135	*71163	*71191	*71229
53541	53251	53521	6960	6960	6960	6960	6960
53551	53260	53531	*71108	*71136	*71164	*71192	*71230
53561	53261	53541	6960	6960	6960	6960	6960
53783	53271	53551	*71109	*71137	*71165	*71193	*71231
56202	53291	53561	6960	6960	6960	6960	6960
56203	53300	53783	*71110	*71138	*71166	*71194	*71232
56212	53301	56202	6960	6960	6960	6960	6960
56213	53310	56203	*71111	*71139	*71167	*71195	*71233
5693	53311	56212	6960	6960	6960	6960	6960
56985	53320	56213	*71112	*71140	*71168	*71196	*71234
5780	53321	56985	6960	6960	6960	6960	6960
5781	53331	*5781	*71113	*71141	*71169	*71197	*71235
5789	53340	53501	6960	6960	6960	6960	6960
9981	53341	53511	*71114	*71142	*71170	*71198	*71236
*5693	53350	53521	6960	6960	6960	6960	6960
53501	53351	53531	*71115	*71143	*71171	*71199	*71237
53511	53360	53541	6960	6960	6960	6960	6960
53521	53361	53551	*71116	*71144	*71172	*71210	*71238
53531	53371	53561	6960	6960	6960	6960	6960
53541	53391	53783	*71117	*71145	*71173	*71211	*71239
53551	53400	56202	6960	6960	6960	6960	6960
53561	53401	56203	*71118	*71146	*71174	*71212	*71280
53783	53410	56212	6960	6960	6960	6960	6960
56202	53411	56213	*71119	*71147	*71175	*71213	*71281
56203	53420	56985	6960	6960	6960	6960	6960
56212	53421	*5789	*71120	*71148	*71176	*71214	*71282

6960	6960	6960	6960	6960	6960	6960	6960
*71283	*71509	*71595	*71624	*71652	*71691	*71918	*71946
6960	6960	6960	6960	6960	6960	6960	6960
*71284	*71510	*71596	*71625	*71653	*71692	*71919	*71947
6960	6960	6960	6960	6960	6960	6960	6960
*71285	*71518	*71597	*71626	*71654	*71693	*71920	*71948
6960	6960	6960	6960	6960	6960	6960	6960
*71286	*71520	*71598	*71627	*71655	*71694	*71921	*71949
6960	6960	6960	6960	6960	6960	6960	6960
*71287	*71521	*71600	*71628	*71656	*71695	*71922	*71950
6960	6960	6960	6960	6960	6960	6960	6960
*71288	*71522	*71601	*71629	*71657	*71696	*71923	*71951
6960	6960	6960	6960	6960	6960	6960	6960
*71289	*71523	*71602	*71630	*71658	*71697	*71924	*71952
6960	6960	6960	6960	6960	6960	6960	6960
*71290	*71524	*71603	*71631	*71659	*71698	*71925	*71953
6960	6960	6960	6960	6960	6960	6960	6960
*71291	*71525	*71604	*71632	*71660	*71699	*71926	*71954
6960	6960	6960	6960	6960	6960	6960	6960
*71292	*71526	*71605	*71633	*71661	*71800	*71927	*71955
6960	6960	6960	6960	6960	6960	6960	6960
*71293	*71527	*71606	*71634	*71662	*71801	*71928	*71956
6960	6960	6960	6960	6960	6960	6960	6960
*71294	*71528	*71607	*71635	*71663	*71802	*71929	*71957
6960	6960	6960	6960	6960	6960	6960	6960
*71295	*71530	*71608	*71636	*71664	*71803	*71930	*71958
6960	6960	6960	6960	6960	6960	6960	6960
*71296	*71531	*71609	*71637	*71665	*71804	*71931	*71959
6960	6960	6960	6960	6960	6960	6960	6960
*71297	*71532	*71610	*71638	*71666	*71805	*71932	*71960
6960	6960	6960	6960	6960	6960	6960	6960
*71298	*71533	*71611	*71639	*71667	*71807	*71933	*71961
6960	6960	6960	6960	6960	6960	6960	6960
*71299	*71534	*71612	*71640	*71668	*71808	*71934	*71962
6960	6960	6960	6960	6960	6960	6960	6960
*7130	*71535	*71613	*71641	*71680	*71900	*71935	*71963
6960	6960	6960	6960	6960	6960	6960	6960
*7131	*71536	*71614	*71642	*71681	*71901	*71936	*71964
6960	6960	6960	6960	6960	6960	6960	6960
*7132	*71537	*71615	*71643	*71682	*71902	*71937	*71965
6960	6960	6960	6960	6960	6960	6960	6960
*7133	*71538	*71616	*71644	*71683	*71903	*71938	*71966
6960	6960	6960	6960	6960	6960	6960	6960
*7134	*71580	*71617	*71645	*71684	*71904	*71939	*71967
6960	6960	6960	6960	6960	6960	6960	6960
*7135	*71589	*71618	*71646	*71685	*71905	*71940	*71968
6960	6960	6960	6960	6960	6960	6960	6960
*7136	*71590	*71619	*71647	*71686	*71906	*71941	*71969
6960	6960	6960	6960	6960	6960	6960	6960
*7137	*71591	*71620	*71648	*71687	*71907	*71942	*71970
6960	6960	6960	6960	6960	6960	6960	6960
*7138	*71592	*71621	*71649	*71688	*71908	*71943	*71975
6960	6960	6960	6960	6960	6960	6960	6960
*7140	*71593	*71622	*71650	*71689	*71909	*71944	*71976
6960	6960	6960	6960	6960	6960	6960	6960
*71500	*71594	*71623	*71651	*71690	*71910	*71945	*71977

6960  
\*71978  
6960  
\*71979  
6960  
\*71980  
6960  
\*71981  
6960  
\*71982  
6960  
\*71983  
6960  
\*71984  
6960  
\*71985  
6960  
\*71986  
6960  
\*71987  
6960  
\*71988  
6960  
\*71989  
6960  
\*71990  
6960  
\*71991  
6960  
\*71992  
6960  
\*71993  
6960  
\*71994  
6960  
\*71995  
6960  
\*71996  
6960  
\*71997  
6960  
\*71998  
6960  
\*71999  
6960  
\*73381  
73381  
73382  
\*73382  
73381  
73382  
\*7903  
29381  
29382  
29383



Table 6h - Deletions to the CC Exclusions List

CCs that are deleted from the list are in Table 6h-Deletions to the CC Exclusions List. Each of the principal diagnoses is shown with an asterisk, and the revisions to the CC Exclusions List are provided in an indented column immediately following the affected principal diagnosis.

*01100	*01111	*01122	*01133	*01144	*01155	*01166	*01180
500	500	500	500	500	500	500	500
501	501	501	501	501	501	501	501
502	502	502	502	502	502	502	502
503	503	503	503	503	503	503	503
504	504	504	504	504	504	504	504
505	505	505	505	505	505	505	505
*01101	*01112	*01123	*01134	*01145	*01156	*01170	*01181
500	500	500	500	500	500	500	500
501	501	501	501	501	501	501	501
502	502	502	502	502	502	502	502
503	503	503	503	503	503	503	503
504	504	504	504	504	504	504	504
505	505	505	505	505	505	505	505
*01102	*01113	*01124	*01135	*01146	*01160	*01171	*01182
500	500	500	500	500	500	500	500
501	501	501	501	501	501	501	501
502	502	502	502	502	502	502	502
503	503	503	503	503	503	503	503
504	504	504	504	504	504	504	504
505	505	505	505	505	505	505	505
*01103	*01114	*01125	*01136	*01150	*01161	*01172	*01183
500	500	500	500	500	500	500	500
501	501	501	501	501	501	501	501
502	502	502	502	502	502	502	502
503	503	503	503	503	503	503	503
504	504	504	504	504	504	504	504
505	505	505	505	505	505	505	505
*01104	*01115	*01126	*01140	*01151	*01162	*01173	*01184
500	500	500	500	500	500	500	500
501	501	501	501	501	501	501	501
502	502	502	502	502	502	502	502
503	503	503	503	503	503	503	503
504	504	504	504	504	504	504	504
505	505	505	505	505	505	505	505
*01105	*01116	*01130	*01141	*01152	*01163	*01174	*01185
500	500	500	500	500	500	500	500
501	501	501	501	501	501	501	501
502	502	502	502	502	502	502	502
503	503	503	503	503	503	503	503
504	504	504	504	504	504	504	504
505	505	505	505	505	505	505	505
*01106	*01120	*01131	*01142	*01153	*01164	*01175	*01186
500	500	500	500	500	500	500	500
501	501	501	501	501	501	501	501
502	502	502	502	502	502	502	502
503	503	503	503	503	503	503	503
504	504	504	504	504	504	504	504
505	505	505	505	505	505	505	505
*01110	*01121	*01132	*01143	*01154	*01165	*01176	*01190
500	500	500	500	500	500	500	500
501	501	501	501	501	501	501	501
502	502	502	502	502	502	502	502
503	503	503	503	503	503	503	503
504	504	504	504	504	504	504	504
505	505	505	505	505	505	505	505

*01191	*01202	*01213	*01284	*01795	0704	501	6198
500	500	500	500	500	0705	502	*1363
501	501	501	501	501	0706	503	500
502	502	502	502	502	0709	504	501
503	503	503	503	503	7800	505	502
504	504	504	504	504	*0704	*11515	503
505	505	505	505	505	0702	500	504
*01192	*01203	*01214	*01285	*01796	0703	501	505
500	500	500	500	500	0704	502	*1398
501	501	501	501	501	0705	503	0702
502	502	502	502	502	0706	504	0703
503	503	503	503	503	0709	505	0704
504	504	504	504	504	7800	*11595	0705
505	505	505	505	505	*0705	500	*2030
*01193	*01204	*01215	*01286	*0212	0702	501	2030
500	500	500	500	500	0703	502	2031
501	501	501	501	501	0704	503	2038
502	502	502	502	502	0705	504	2040
503	503	503	503	503	0706	505	2041
504	504	504	504	504	0709	*1221	2042
505	505	505	505	505	7800	500	2048
*01194	*01205	*01216	*01790	*0310	*0706	501	2049
500	500	500	500	500	0702	502	2050
501	501	501	501	501	0703	503	2051
502	502	502	502	502	0704	504	2052
503	503	503	503	503	0705	505	2053
504	504	504	504	504	*0709	*1304	2058
505	505	505	505	505	0702	500	2059
*01195	*01206	*01280	*01791	*0391	0703	501	2060
500	500	500	500	500	0704	502	2061
501	501	501	501	501	0705	503	2062
502	502	502	502	502	*07889	504	2068
503	503	503	503	503	0702	505	2069
504	504	504	504	504	0703	*13100	2070
505	505	505	505	505	0704	6071	2071
*01196	*01210	*01281	*01792	*0700	0705	6072	2072
500	500	500	500	0702	*0798	6073	2078
501	501	501	501	0703	0702	6190	2080
502	502	502	502	0704	0703	6191	2081
503	503	503	503	0705	0704	6192	2082
504	504	504	504	*0701	0705	6198	2088
505	505	505	505	0702	*0799	*1318	2089
*01200	*01211	*01282	*01793	0703	0702	6071	*2031
500	500	500	500	0704	0703	6072	2030
501	501	501	501	0705	0704	6073	2031
502	502	502	502	*0702	0705	6190	2038
503	503	503	503	0702	*1122	6191	2040
504	504	504	504	0703	6071	6192	2041
505	505	505	505	0704	6072	6198	2042
*01201	*01212	*01283	*01794	0705	6073	*1319	2048
500	500	500	500	0706	6190	6071	2049
501	501	501	501	0709	6191	6072	2050
502	502	502	502	7800	6192	6073	2051
503	503	503	503	*0703	6198	6190	2052
504	504	504	504	0702	*11505	6191	2053
505	505	505	505	0703	500	6192	2058

2059	2053	2051	2049	2042	2040	2031	*2061
2060	2058	2052	2050	2048	2041	2038	2030
2061	2059	2053	2051	2049	2042	2040	2031
2062	2060	2058	2052	2050	2048	2041	2038
2068	2061	2059	2053	2051	2049	2042	2040
2069	2062	2060	2058	2052	2050	2048	2041
2070	2068	2061	2059	2053	2051	2049	2042
2071	2069	2062	2060	2058	2052	2050	2048
2072	2070	2068	2061	2059	2053	2051	2049
2078	2071	2069	2062	2060	2058	2052	2050
2080	2072	2070	2068	2061	2059	2053	2051
2081	2078	2071	2069	2062	2060	2058	2052
2082	2080	2072	2070	2068	2061	2059	2053
2088	2081	2078	2071	2069	2062	2060	2058
2089	2082	2080	2072	2070	2068	2061	2059
*2038	2088	2081	2078	2071	2069	2062	2060
2030	2089	2082	2080	2072	2070	2068	2061
2031	*2041	2088	2081	2078	2071	2069	2062
2038	2030	2089	2082	2080	2072	2070	2068
2040	2031	*2048	2088	2081	2078	2071	2069
2041	2038	2030	2089	2082	2080	2072	2070
2042	2040	2031	*2050	2088	2081	2078	2071
2048	2041	2038	2030	2089	2082	2080	2072
2049	2042	2040	2031	*2052	2088	2081	2078
2050	2048	2041	2038	2030	2089	2082	2080
2051	2049	2042	2040	2031	*2058	2088	2081
2052	2050	2048	2041	2038	2030	2089	2082
2053	2051	2049	2042	2040	2031	*2060	2088
2058	2052	2050	2048	2041	2038	2030	2089
2059	2053	2051	2049	2042	2040	2031	*2062
2060	2058	2052	2050	2048	2041	2038	2030
2061	2059	2053	2051	2049	2042	2040	2031
2062	2060	2058	2052	2050	2048	2041	2038
2068	2061	2059	2053	2051	2049	2042	2040
2069	2062	2060	2058	2052	2050	2048	2041
2070	2068	2061	2059	2053	2051	2049	2042
2071	2069	2062	2060	2058	2052	2050	2048
2072	2070	2068	2061	2059	2053	2051	2049
2078	2071	2069	2062	2060	2058	2052	2050
2080	2072	2070	2068	2061	2059	2053	2051
2081	2078	2071	2069	2062	2060	2058	2052
2082	2080	2072	2070	2068	2061	2059	2053
2088	2081	2078	2071	2069	2062	2060	2058
2089	2082	2080	2072	2070	2068	2061	2059
*2040	2088	2081	2078	2071	2069	2062	2060
2030	2089	2082	2080	2072	2070	2068	2061
2031	*2042	2088	2081	2078	2071	2069	2062
2038	2030	2089	2082	2080	2072	2070	2068
2040	2031	*2049	2088	2081	2078	2071	2069
2041	2038	2030	2089	2082	2080	2072	2070
2042	2040	2031	*2051	2088	2081	2078	2071
2048	2041	2038	2030	2089	2082	2080	2072
2049	2042	2040	2031	*2053	2088	2081	2078
2050	2048	2041	2038	2030	2089	2082	2080
2051	2049	2042	2040	2031	*2059	2088	2081
2052	2050	2048	2041	2038	2030	2089	2082

2088	2081	2078	2071	2069	2062	2060	4470
2089	2082	2080	2072	2070	2068	2061	4480
*2068	2088	2081	2078	2071	2069	2062	*25091
2030	2089	2082	2080	2072	2070	2068	4470
2031	*2070	2088	2081	2078	2071	2069	4480
2038	2030	2089	2082	2080	2072	2070	*27411
2040	2031	*2072	2088	2081	2078	2071	7880
2041	2038	2030	2089	2082	2080	2072	*317
2042	2040	2031	*2080	2088	2081	2078	3182
2048	2041	2038	2030	2089	2082	2080	*3180
2049	2042	2040	2031	*2082	2088	2081	3182
2050	2048	2041	2038	2030	2089	2082	*3181
2051	2049	2042	2040	2031	*2089	2088	3182
2052	2050	2048	2041	2038	2030	2089	*3182
2053	2051	2049	2042	2040	2031	*2399	3182
2058	2052	2050	2048	2041	2038	2030	*319
2059	2053	2051	2049	2042	2040	2031	3182
2060	2058	2052	2050	2048	2041	2038	*3912
2061	2059	2053	2051	2049	2042	2040	4290
2062	2060	2058	2052	2050	2048	2041	*3980
2068	2061	2059	2053	2051	2049	2042	4290
2069	2062	2060	2058	2052	2050	2048	*4220
2070	2068	2061	2059	2053	2051	2049	4290
2071	2069	2062	2060	2058	2052	2050	*42290
2072	2070	2068	2061	2059	2053	2051	4290
2078	2071	2069	2062	2060	2058	2052	*42291
2080	2072	2070	2068	2061	2059	2053	4290
2081	2078	2071	2069	2062	2060	2058	*42292
2082	2080	2072	2070	2068	2061	2059	4290
2088	2081	2078	2071	2069	2062	2060	*42293
2089	2082	2080	2072	2070	2068	2061	4290
*2069	2088	2081	2078	2071	2069	2062	*42299
2030	2089	2082	2080	2072	2070	2068	4290
2031	*2071	2088	2081	2078	2071	2069	*4290
2038	2030	2089	2082	2080	2072	2070	4290
2040	2031	*2078	2098	2081	2078	2071	*42971
2041	2038	2030	2089	2082	2080	2072	4290
2042	2040	2031	*2081	2088	2081	2078	*42979
2048	2041	2038	2030	2089	2082	2080	4290
2049	2042	2040	2031	*2088	2088	2081	*4470
2050	2048	2041	2038	2030	2089	2082	4470
2051	2049	2042	2040	2031	*2398	2088	*4480
2052	2050	2048	2041	2038	2030	2089	4480
2053	2051	2049	2042	2040	2031	*25070	*4572
2058	2052	2050	2048	2041	2038	4470	4572
2059	2053	2051	2049	2042	2040	4480	*45989
2060	2058	2052	2050	2048	2041	*25071	4290
2061	2059	2053	2051	2049	2042	4470	4470
2062	2060	2058	2052	2050	2048	4480	4480
2068	2061	2059	2053	2051	2049	*25080	4572
2069	2062	2060	2058	2052	2050	4470	*4599
2070	2068	2061	2059	2053	2051	4480	4290
2071	2069	2062	2060	2058	2052	*25081	4470
2072	2070	2068	2061	2059	2053	4470	4480
2078	2071	2069	2062	2060	2058	4480	4572
2080	2072	2070	2068	2061	2059	*25090	*4800

500	500	500	4912	504	504	504	504
501	501	501	*4912	505	505	505	505
502	502	502	4911	*4955	*502	*5064	*5089
503	503	503	4912	500	500	500	500
504	504	504	4918	501	501	501	501
505	505	505	4919	502	502	502	502
*4801	*4823	*4846	49320	503	503	503	503
500	500	500	49321	504	504	504	504
501	501	501	*4918	505	505	505	505
502	502	502	4912	*4956	*503	*5069	*5171
503	503	503	*4919	500	500	500	500
504	504	504	4912	501	501	501	501
505	505	505	*49320	502	502	502	502
*4802	*4824	*4847	4912	503	503	503	503
500	500	500	*49321	504	504	504	504
501	501	501	4912	505	505	505	505
502	502	502	*494	*4957	*504	*5070	*5178
503	503	503	500	500	500	500	500
504	504	504	501	501	501	501	501
505	505	505	502	502	502	502	502
*4808	*4828	*4848	503	503	503	503	503
500	500	500	504	504	504	504	504
501	501	501	505	505	505	505	505
502	502	502	*4950	*4958	*505	*5071	*51889
503	503	503	500	500	500	500	500
504	504	504	501	501	501	501	501
505	505	505	502	502	502	502	502
*4809	*4829	*485	503	503	503	503	503
500	500	500	504	504	504	504	504
501	501	501	505	505	505	505	505
502	502	502	*4951	*4959	*5060	*5078	*5198
503	503	503	500	500	500	500	500
504	504	504	501	501	501	501	501
505	505	505	502	502	502	502	502
*481	*483	*486	503	503	503	503	503
500	500	500	504	504	504	504	504
501	501	501	505	505	505	505	505
502	502	502	*4952	*496	*5061	*5080	*5199
503	503	503	500	500	500	500	500
504	504	504	501	501	501	501	501
505	505	505	502	502	502	502	502
*4820	*4841	*4870	503	503	503	503	503
500	500	500	504	504	504	504	504
501	501	501	505	505	505	505	505
502	502	502	*4953	*500	*5062	*5081	*5350
503	503	503	500	500	500	500	5350
504	504	504	501	501	501	501	9981
505	505	505	502	502	502	502	*5351
*4821	*4843	*4871	503	503	503	503	5350
500	500	500	504	504	504	504	*5352
501	501	501	505	505	505	505	5350
502	502	502	*4954	*501	*5063	*5088	*5353
503	503	503	500	500	500	500	5350
504	504	504	501	501	501	501	*5354
505	505	505	502	502	502	502	5350
*4822	*4845	*4911	503	503	503	503	*5355

5350	6071	6071	*6259	6071
*5711	6072	6072	6190	6072
5711	6073	6073	6191	6073
*5738	*5993	*6079	6192	*7539
5711	6071	6071	6198	6071
*5739	6072	6072	*6298	6072
5711	6073	6073	6190	6073
*5970	*5994	*6084	6191	6190
6071	6071	6071	6192	6191
6072	6072	6072	6198	6192
6073	6073	6073	*6299	6198
*59780	*5995	*60881	6190	*7809
6071	6071	6071	6191	7880
6072	6072	6072	6192	7908
6073	6073	6073	6198	*7880
*59781	*5996	*60883	*683	7880
6071	6071	6071	683	*7889
6072	6072	6072	*7080	7880
6073	6073	6073	7080	*7907
*59789	*5998	*60885	*7081	7908
6071	6071	6071	7080	*7908
6072	6072	6072	*7098	7908
6073	6073	6073	683	*7909
*59800	*5999	*60886	7080	7908
6071	6071	6071	*74861	*7998
6072	6072	6072	500	7880
6073	6073	6073	501	7908
*59801	*6070	*60889	502	
6071	6071	6071	503	
6072	6072	6072	504	
6073	6073	6073	505	
*5981	*6071	*6089	*7528	
6071	6071	6071	6071	
6072	6072	6072	6072	
6073	6073	6073	6073	
*5982	*6072	*6190	6190	
6071	6071	6190	6191	
6072	6072	*6191	6192	
6073	6073	6191	6198	
*5988	*6073	*6192	*7529	
6071	6071	6192	6071	
6072	6072	*6198	6072	
6073	6073	6190	6073	
*5989	*60781	6191	6190	
6071	6071	6192	6191	
6072	6072	6198	6192	
6073	6073	*6199	6198	
*5990	*60782	6190	*7536	
6071	6071	6191	6071	
6072	6072	6192	6072	
6073	6073	6198	6073	
*5991	*60783	*6258	*7537	
6071	6071	6190	6071	
6072	6072	6191	6072	
6073	6073	6192	6073	
*5992	*60789	6198	*7538	

TABLE 6i.—NEW HIV-RELATED CONDITIONS NECESSARY FOR ASSIGNMENT TO MDC 25

Diagnosis code	Description	Major
136.8.....	Microsporidiosis.....	Yes.
176.0—176.9.....	Kaposi's sarcoma.....	Yes.
323.8.....	Other causes of encephalitis.	Yes.
421.0; 421.9.....	Endocarditis.....	Yes.
422.90—422.99.....	Myocarditis.....	Yes.

TABLE 6i.—NEW HIV-RELATED CONDITIONS NECESSARY FOR ASSIGNMENT TO MDC 25—Continued

Diagnosis code	Description	Major
425.9.....	Secondary cardiomyopathy.	No.
480.8.....	Viral pneumonia, NEC.	Yes.
481.....	Pneumococcal pneumonia.	Yes.
482.0—482.9.....	Other bacterial pneumonia.	Yes.

TABLE 6i.—NEW HIV-RELATED CONDITIONS NECESSARY FOR ASSIGNMENT TO MDC 25—Continued

Diagnosis code	Description	Major
580.0—583.9.....	Nephritis & nephropathy.	No.

BILLING CODE 4120-03-M



TABLE 7A - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPER V8.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
001	28141	17.3258	5	7	12	21	35
002	5878	16.4376	4	7	12	20	33
003	4	16.7500	3	3	6	17	41
004	5123	14.5227	3	6	10	18	30
005	45677	7.1275	3	4	5	8	13
006	1114	2.8878	1	1	2	3	6
007	5829	22.8377	2	6	12	24	51
008	3063	5.1783	1	1	3	6	11
009	1757	10.9425	2	4	7	13	22
010	19633	11.3779	2	4	8	14	24
011	3919	6.4953	1	2	5	8	13
012	22221	10.5921	2	4	7	12	20
013	5453	9.0081	3	4	7	10	15
014	328359	10.3219	2	4	7	12	20
015	133739	5.5168	2	3	7	10	10
016	11289	9.4504	3	4	7	11	18
017	3513	5.9200	2	3	5	7	11
018	13326	8.0848	2	4	6	10	15
019	7410	5.3328	1	2	4	7	10
020	7233	12.5615	2	5	9	16	26
021	902	10.2328	2	5	7	12	19
022	9860	5.8892	2	3	4	7	10
023	3403	6.6300	1	2	5	8	13
024	52771	7.7145	2	3	5	9	15
025	23810	4.5736	1	2	3	5	8
026	49	4.4082	1	2	3	6	8
027	2652	8.2960	1	2	5	10	19
028	7764	9.6807	1	3	6	12	20
029	3773	4.9056	1	2	3	6	10
030	1	2.0000	2	2	2	2	2
031	3957	6.6123	1	2	4	8	13
032	3155	3.7420	1	2	3	4	7
034	12945	8.7650	2	3	6	10	18
035	3969	5.4916	1	2	4	7	10
036	21279	2.5704	1	1	2	3	4
037	2916	4.5055	1	2	3	5	10
038	866	2.7252	1	1	2	3	5
039	12974	1.8935	1	1	1	2	3
040	4021	3.1423	1	1	2	3	8
042	22180	2.7146	1	1	2	3	5
043	218	4.4633	2	2	4	5	7
044	2134	6.9817	3	4	5	8	12
045	2708	4.5000	1	2	4	6	8
046	2976	6.0225	1	2	4	8	12
047	2153	4.4320	1	2	3	5	8
048	2	8.0000	6	6	10	10	10
049	3890	11.1746	2	4	7	14	24
050	5331	2.8379	1	1	2	3	5
051	682	2.8871	1	1	2	3	6
052	184	3.7935	1	1	2	4	7
053	7686	3.1275	1	1	2	3	7

TABLE 7A - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPER V8.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
055	4589	2.7400	1	1	1	2	5
056	1475	2.8902	1	1	1	3	6
057	727	5.5818	1	2	3	7	13
059	221	2.1357	1	1	1	2	4
081	397	4.6700	1	1	2	5	11
083	5054	6.1846	1	2	4	7	12
064	4871	9.1513	1	2	5	11	21
065	30842	4.1830	1	2	3	5	8
066	8590	4.1759	1	2	3	5	7
067	454	5.3744	2	3	4	7	10
068	17938	8.2194	2	3	5	7	11
069	6368	4.6378	2	3	4	8	8
070	35	4.8571	1	2	3	4	7
071	156	6.2244	2	3	5	7	13
072	699	4.8128	1	2	3	6	10
073	7250	6.0946	1	2	3	8	12
075	30657	14.1458	6	8	11	17	26
076	37659	14.8938	4	7	11	18	29
077	3893	6.8723	1	2	5	9	15
078	26199	10.3289	4	7	9	12	17
079	126283	12.2576	4	8	9	15	23
080	10195	8.3687	3	5	7	10	15
081	7	5.8571	1	4	6	7	8
082	71844	9.8758	2	4	7	12	20
083	7624	8.1737	2	4	8	10	15
084	2100	5.1362	1	2	4	6	9
085	16960	9.0550	2	4	7	11	18
086	2096	5.6598	2	3	5	7	11
087	67497	8.3952	2	4	7	10	16
088	135897	7.4992	3	4	6	9	14
089	388553	8.9597	3	5	7	11	16
090	54952	6.4239	3	4	6	8	11
091	42	5.5000	2	2	4	8	11
092	9049	8.9876	3	4	7	11	17
093	1600	6.6919	2	4	5	8	12
094	9290	9.3473	3	4	7	12	18
095	1352	5.6723	2	3	4	7	10
096	195210	7.2506	3	4	6	9	13
097	39444	5.3905	2	3	5	7	9
098	13	6.6923	2	2	7	9	11
099	32601	5.6143	2	2	4	7	11
100	11793	3.1994	1	2	3	4	6
101	20302	7.1835	2	3	5	9	14
102	4379	4.4928	1	2	3	6	9
103	213	36.0751	13	16	24	40	72
104	15396	22.5103	9	13	18	26	40
105	14598	16.2850	8	9	12	18	29
106	59869	15.7204	8	10	13	18	24
107	58583	13.9087	7	8	10	15	23
108	7961	16.6652	7	9	13	19	30
110	48020	14.5613	3	8	11	17	27

TABLE 7A - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPEE V8.0

ORG	NUMBER DISCHARGE	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
111	723	8.9137	3	7	8	11	14
112	10306	6.4285	2	3	5	8	13
113	3834	19.4200	6	9	14	23	38
114	858	12.6888	3	6	10	16	24
115	738	14.4519	6	8	12	17	25
116	60126	7.5439	2	3	6	9	14
117	3297	5.6157	1	2	4	7	11
118	7893	4.3808	1	1	2	5	9
119	3731	6.1991	1	2	3	7	15
120	33071	12.9064	2	3	8	17	29
121	133199	10.0125	4	6	9	12	17
122	100409	7.2618	2	5	7	9	12
123	55918	5.5010	1	1	3	7	13
124	109938	5.9303	1	2	5	8	12
125	92468	3.1572	1	2	2	4	7
126	3902	21.8877	5	10	18	30	42
127	573627	7.9115	3	4	6	10	15
128	25346	8.5501	4	6	8	10	14
129	6831	4.6708	1	1	1	6	12
130	67163	8.2349	2	4	7	10	14
131	27248	6.0204	1	3	6	8	15
132	19818	6.3214	1	3	5	8	12
133	7067	4.8306	1	2	4	6	9
134	30866	5.1585	2	3	4	6	9
135	8538	7.0769	2	3	5	8	13
136	1524	4.2172	1	2	3	5	8
138	176411	8.0765	2	3	5	7	11
139	72525	3.8787	1	2	3	5	7
140	352656	4.6265	2	2	4	6	8
141	77089	5.8089	2	2	4	7	10
142	39455	3.8772	1	2	3	5	7
143	111106	3.4387	1	2	3	4	6
144	54371	7.3845	2	3	5	9	15
145	7820	4.3747	1	2	3	5	8
146	7026	14.3971	8	9	12	16	23
147	1891	9.7726	6	8	9	11	14
148	136231	16.7452	7	9	13	19	30
149	19974	9.7219	6	7	9	11	14
150	20678	14.0620	8	8	11	17	25
151	5440	8.0574	3	5	7	10	13
152	4524	10.7580	4	6	9	12	19
153	2328	7.4330	4	5	7	9	11
154	39225	18.9087	6	9	14	22	38
155	4908	9.1261	4	6	8	11	15
156	3	14.3333	8	8	12	23	33
157	13921	6.6665	2	3	5	8	12
158	11894	3.1896	1	2	3	4	6
159	15775	6.5431	2	3	5	8	12
160	13700	3.6055	1	2	3	5	7
161	27773	4.6298	1	2	3	5	9
162	29809	2.2909	1	1	2	3	3

TABLE 7A - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPEE V8.0

DRC	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
163	12	4.9167	1	2	4	7	10
164	4556	11.6247	5	7	10	13	19
165	1962	7.5759	4	5	7	9	11
166	2636	7.5850	3	4	6	9	13
167	2272	4.4159	2	3	4	5	7
168	2073	6.6686	1	2	2	7	15
169	1757	2.7473	1	1	2	3	6
170	12428	16.5200	3	7	12	20	33
171	1562	7.4360	1	3	6	9	15
172	31570	10.4474	2	4	7	13	21
173	3771	5.4699	1	2	4	7	11
174	152332	7.1088	2	4	5	8	13
175	24567	4.5184	2	3	4	6	8
176	12775	7.8233	2	4	6	9	15
177	16391	6.3252	2	3	5	8	11
178	7258	4.5229	2	3	4	6	8
179	8047	9.5687	3	5	7	11	18
180	64880	7.7639	2	4	6	9	15
181	23146	4.6893	2	3	4	6	8
182	253981	6.3948	2	3	5	8	12
183	80631	4.3387	1	2	3	5	8
184	54	3.6111	1	2	3	4	5
185	4084	6.2835	1	2	4	8	13
186	1	6.0000	6	6	6	6	6
187	1334	3.5810	1	1	2	4	8
188	47885	7.4467	2	3	5	9	15
189	10073	3.9165	1	1	3	5	8
190	133	5.4436	1	3	4	7	10
191	10903	20.5709	7	10	15	25	40
192	1229	10.3727	4	6	9	12	18
193	12957	16.9577	7	10	14	20	30
194	1788	10.4687	4	7	9	13	18
195	19487	12.5946	6	8	10	15	21
196	2572	8.4094	4	6	8	10	13
197	64326	9.6110	4	5	8	11	17
198	40048	5.3002	2	3	5	6	9
199	2941	15.4736	5	7	12	20	30
200	1744	14.5619	2	5	10	18	30
201	5104	12.7406	2	5	9	16	26
202	14977	9.9615	2	4	8	12	20
203	29572	9.9080	2	4	7	13	20
204	36616	8.1248	3	4	6	10	15
205	20815	9.4383	2	4	7	12	19
206	2688	5.2541	1	2	4	7	11
207	36720	7.2421	2	3	6	9	14
208	14585	4.1531	1	2	3	5	8
209	246252	11.2919	6	8	10	13	17
210	107491	13.8498	6	8	11	15	23
211	32432	10.1980	5	7	9	12	16
212	15	6.1333	2	2	5	6	12
213	5655	13.3500	3	6	10	16	26

TABLE 7A - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 08/91 GROUPER V8.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
214	36977	11.3735	4	6	8	13	21
215	36567	6.8865	3	4	6	8	12
216	5341	14.6267	2	5	11	18	31
217	15458	22.2730	4	8	15	28	48
218	16901	9.5548	3	5	7	11	18
219	18079	5.6526	2	3	5	7	10
220	7	4.7143	1	2	3	7	7
221	4443	11.3783	2	4	8	14	23
222	5604	5.4747	1	2	4	7	11
223	13395	4.4118	1	2	3	5	8
224	8649	3.0502	1	2	3	4	5
225	11375	5.1714	1	2	3	6	11
226	5341	9.6130	2	3	6	12	21
227	7187	4.0710	1	2	3	5	8
228	4832	3.9191	1	1	2	4	8
229	3146	2.7521	1	1	2	3	5
230	3543	6.8868	1	2	4	8	15
231	9590	6.7581	1	2	4	8	18
232	746	7.5764	1	2	3	9	19
233	6077	12.9184	3	6	9	15	26
234	4098	6.3624	1	3	5	12	12
235	6211	12.5007	2	4	7	14	29
236	38080	9.4200	2	4	7	11	18
237	1704	6.1408	2	4	7	11	18
238	6194	14.3629	4	7	11	17	29
239	59881	10.3142	3	5	8	13	20
240	10967	9.8253	3	4	7	12	19
241	4385	5.8628	2	3	5	7	11
242	2407	11.5393	3	5	8	14	23
243	114143	6.8385	2	3	5	9	13
244	11271	7.7279	2	3	6	9	14
245	6289	5.3916	1	3	4	7	10
246	1847	5.8522	2	3	4	7	11
247	9722	5.0947	1	2	4	6	10
248	6327	6.4113	2	3	5	8	12
249	7923	6.6915	1	2	4	8	14
250	3473	6.6977	1	3	5	8	13
251	3834	3.5055	1	1	2	4	7
253	16784	8.4305	2	3	6	10	16
254	13598	4.9799	1	2	4	6	9
255	1	7.0000	7	2	4	7	7
256	9246	5.6161	1	2	4	6	11
257	27709	5.6140	2	3	5	6	9
258	27130	4.0376	2	3	4	5	6
259	3748	6.3807	1	2	4	7	13
260	4486	2.8433	1	2	4	5	5
261	3428	2.7932	1	1	2	3	3
262	1852	2.9401	1	1	2	3	3
263	25993	22.1390	5	9	15	26	44
264	4698	12.0385	3	5	9	15	25
265	4935	10.1457	2	3	6	12	22

TABLE 7A - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPER V8.0

DIC	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
266	4698	4.4085	1	2	3	6	9
267	431	4.5499	1	1	3	5	10
268	1578	4.5311	1	1	2	4	9
269	10481	12.3345	2	4	2	15	25
270	5281	4.4184	1	2	3	5	9
271	19459	12.5254	3	6	9	14	23
272	6972	9.7724	3	5	7	12	19
273	2572	7.3223	2	3	6	9	15
274	3465	10.3172	2	3	7	13	22
275	471	4.9130	1	2	3	6	10
276	896	5.6239	1	2	4	7	10
277	65941	8.7339	3	5	7	10	15
278	26013	6.4022	3	4	5	8	11
279	5	4.0000	2	2	3	4	9
280	13427	6.6226	2	3	5	8	13
281	8294	4.4697	1	2	3	5	8
283	5757	7.3385	2	3	5	8	13
284	2685	4.8060	1	2	4	6	9
285	4310	21.0865	6	9	15	25	42
286	1693	12.5960	5	6	9	14	23
287	6026	20.3698	5	8	13	23	41
288	501	11.0439	3	4	6	10	24
289	3810	5.9320	2	2	3	6	13
290	9331	3.8226	1	2	3	4	5
291	149	2.1342	1	1	2	2	4
292	4678	18.1849	4	7	13	22	36
293	554	8.0722	1	3	6	10	17
294	92585	7.5243	3	4	6	9	13
295	3338	6.0171	2	3	6	7	11
296	203493	8.5379	2	4	6	10	16
297	47168	5.3091	2	3	4	6	10
298	83	3.7952	1	1	3	5	9
299	834	7.3141	1	3	5	9	15
300	11378	9.4960	3	4	7	11	18
301	2155	5.6891	2	2	4	7	10
302	6705	16.6095	8	9	13	19	28
303	17273	14.0262	6	8	11	16	24
304	14567	13.7706	4	7	10	16	26
305	3936	6.8885	2	3	6	9	13
306	12181	9.3183	3	4	7	12	18
307	4700	4.9370	2	3	4	6	9
308	10293	9.6735	2	3	7	12	20
309	4766	4.3021	1	2	3	5	9
310	35591	5.7590	1	2	3	7	11
311	21389	2.8431	1	1	2	4	5
312	3542	5.8732	1	2	4	7	12
313	2255	2.8590	1	1	2	3	6
314	4	6.0000	1	1	6	8	9
315	26896	12.8539	1	3	8	16	28
316	47333	9.3754	2	4	7	12	19
317	1066	4.1623	1	1	2	4	8

TABLE 7A - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPEE V8.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
318	6964	9.0872	2	3	6	11	19
319	1100	3.9945	1	1	2	5	8
320	155031	8.6488	3	4	7	10	15
321	30764	5.9310	2	3	5	7	10
322	45	5.8444	2	3	4	7	11
323	23662	4.1086	1	2	3	5	8
324	12373	2.6194	1	1	2	3	5
325	9921	6.0045	2	3	4	7	11
326	4130	3.8363	1	2	3	5	7
327	5	4.6000	1	1	2	3	7
328	1445	5.2145	1	2	2	6	10
329	345	2.7420	1	1	2	6	10
330	28059	7.6303	2	3	6	9	15
331	6536	4.3623	1	2	3	6	9
332	313	7.0032	1	2	5	0	6
333	15782	10.0523	6	7	9	1	16
334	8878	7.8613	5	6	7	9	11
335	103547	6.1651	3	3	5	7	11
336	90508	4.0558	2	3	4	5	6
337	8357	5.3437	1	1	2	3	3
338	3790	4.4071	1	1	2	3	3
339	1	2.0000	2	2	2	2	2
340	14578	4.4113	1	2	3	5	8
341	540	4.2111	1	1	2	2	2
342	1	2.0000	2	2	2	2	2
343	3981	6.0829	2	3	5	7	10
344	2597	5.0181	2	2	3	6	10
345	8506	8.6403	1	3	6	1	8
346	1175	4.1217	1	1	3	5	9
347	4409	5.7151	1	2	4	7	11
348	2030	3.0645	1	1	2	4	6
349	8113	5.9733	2	3	5	7	10
350	4	4.2500	3	3	4	5	5
351	922	4.7397	1	2	3	5	9
352	2284	13.1125	5	7	10	15	23
353	8605	8.7555	4	5	7	10	15
354	6193	5.4053	4	4	5	8	15
355	29357	4.6855	2	3	4	6	8
356	6818	12.7077	5	7	10	15	23
357	20312	7.0048	4	4	6	8	11
358	26844	4.9217	3	4	5	8	9
359	9043	5.4823	3	3	4	6	9
360	344	5.3081	1	1	3	7	11
361	5109	4.7751	1	2	3	7	9
362	2932	3.7190	1	1	2	4	8
363	3642	10.9551	3	4	7	13	23
364	5252	10.2039	2	4	7	13	22
365	974	4.3018	1	2	3	5	9
366	1473	7.8391	3	4	6	9	15
367	2686	4.7450	1	2	3	6	10
368	593	8.0523	3	4	5	8	14



TABLE 7A - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY80 MEDPAR UPDATE 06/91 GROUPER V8.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
371	736	4.3828	3	3	4	5	6
372	372	4.9194	2	2	3	5	10
373	2451	2.5451	1	2	2	3	3
374	83	3.0241	2	2	2	3	5
375	7	4.0000	2	2	3	4	5
376	136	3.7353	1	2	2	4	7
377	28	5.8571	1	1	3	4	13
378	149	4.3087	2	3	3	5	6
379	239	3.0544	1	1	2	3	6
380	66	1.9242	1	1	1	2	3
381	238	2.1176	1	1	1	2	4
382	70	1.4429	1	1	1	1	3
383	865	4.4486	1	2	3	6	9
384	115	3.0522	1	1	2	4	6
385	1	5.0000	5	5	5	5	5
389	25	8.4800	2	4	6	10	16
390	22	6.0909	1	2	5	6	14
391	2	2.0000	2	2	2	2	2
392	2385	15.4063	5	7	11	19	30
393	1	11.0000	11	11	11	11	11
394	2079	10.6647	1	2	6	13	24
395	7247	6.5510	2	3	5	8	13
396	18	4.3889	1	1	2	4	11
397	11656	7.6703	2	3	6	9	15
398	13797	8.6625	3	4	7	10	16
399	2009	5.5162	1	2	4	7	10
400	7962	14.1110	3	6	10	17	30
401	6390	15.2219	3	6	11	19	31
402	2695	5.4134	1	2	4	7	12
403	27125	11.9599	2	5	8	15	25
404	5874	5.7819	1	2	4	8	12
405	3	13.0000	3	3	16	20	20
406	3898	14.9151	4	7	11	19	31
407	1159	6.7066	2	4	6	8	12
408	6695	7.2877	1	2	4	8	16
409	7081	9.8284	2	4	5	13	22
410	135763	3.6130	1	2	3	5	8
411	208	4.3269	1	1	2	4	8
412	253	2.9842	1	1	2	3	7
413	10243	11.0914	2	4	8	14	23
414	2239	6.8057	1	2	4	8	14
415	26657	21.0096	5	9	15	26	42
416	125116	10.6382	2	5	8	13	20
417	30	6.3000	2	3	6	8	10
418	13257	8.4852	3	4	7	10	16
419	16839	7.6475	2	4	6	9	14
420	4047	5.5869	2	3	4	7	10
421	14773	5.6748	2	3	4	7	10
422	109	5.5321	2	5	8	14	24
423	6619	11.8470	3	7	15	27	47
424	2922	23.6485	2	7	15	27	47

TABLE 7A - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPER V8.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
425	17513	6.8859	2	3	5	8	14
426	6868	7.8308	2	3	5	9	16
427	1953	7.8561	2	3	5	10	18
428	1180	10.7924	2	4	7	13	24
429	30019	12.3399	3	4	7	13	23
430	57140	12.7816	3	5	9	16	26
431	301	9.1761	2	3	6	11	20
432	532	6.8684	1	2	4	7	16
433	5718	4.6884	1	1	3	6	11
434	18621	8.0887	2	3	5	9	17
435	13262	7.0013	2	3	5	8	15
436	2297	19.1615	6	12	20	28	29
437	9721	17.6113	6	10	16	25	29
439	1036	11.8137	1	3	7	13	27
440	4445	13.9170	2	4	9	17	30
441	860	3.5709	1	1	2	4	7
442	10933	10.4148	1	3	7	13	22
443	6269	7.1227	1	1	3	5	9
444	4231	4.7853	2	3	5	8	13
445	2659	2.5000	1	2	4	6	9
446	2	3.5573	2	2	3	3	3
447	3063	61.0000	1	1	2	4	7
448	1	6.0364	61	61	61	61	61
449	29661	3.5297	1	2	4	7	12
450	8448	3.0000	1	1	2	4	7
451	5	6.3113	1	2	3	4	5
452	16342	3.7887	1	2	4	7	13
453	6128	7.5447	1	2	4	5	7
454	4103	3.6672	1	2	4	8	15
455	1235	11.5095	1	2	6	13	27
456	210	6.0904	1	1	2	4	7
457	166	23.5737	1	10	18	30	48
458	1724	15.7699	5	6	11	19	31
459	565	9.2790	3	4	7	11	19
460	2563	5.1178	2	4	2	4	12
461	6496	18.4519	1	9	6	24	35
462	6386	6.8439	5	3	5	8	13
463	9564	4.2513	2	2	3	5	8
464	3239	2.8652	1	1	2	3	6
465	690	5.5064	1	1	2	5	11
466	4161	5.0862	1	1	2	4	9
467	3804	19.4401	4	8	5	24	38
468	64577	15.7525	8	9	31	52	75
471	6195	37.7352	4	13	10	27	41
472	219	17.3004	2	4	11	18	28
473	8464	14.3178	2	6	14	21	31
475	75736	17.7970	7	10	7	13	22
476	11275	10.6450	1	3	8	14	23
477	36764	11.0903	2	4	5	8	11
478	96399	5.9588	1	3	5	8	11
479	21541						

TABLE 7A - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
ELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPER V8.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
480	32	51.7813	13	15	38	66	128
481	55	41.2909	20	28	37	48	71
482	5845	17.9211	6	9	13	20	32
483	25702	52.2390	15	25	41	64	96
484	296	23.8345	2	8	20	33	48
485	1642	18.7533	7	9	13	21	34
486	2378	18.3768	2	8	13	22	37
487	2662	11.4159	2	5	8	14	23
488	357	22.7255	6	11	19	29	43
489	2639	14.5047	3	6	10	17	29
490	1274	9.4199	1	3	5	11	19

TABLE 7B - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPER V9.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
001	28140	17.3257	5	7	12	21	35
002	5871	16.4272	4	7	12	20	33
003	4	16.7500	3	3	6	17	41
004	5121	14.5202	3	6	10	18	30
005	45677	7.1275	3	4	5	8	13
006	1114	2.8878	1	1	2	3	6
007	5835	22.8161	2	6	12	24	51
008	3056	5.1810	1	1	3	6	11
009	1757	10.9425	2	4	7	13	22
010	19636	11.3844	2	4	8	14	24
011	3916	6.4591	1	2	5	8	13
012	22221	10.5921	2	4	7	12	20
013	5453	9.0081	3	4	7	10	15
014	328359	10.3219	2	4	7	12	20
015	133739	5.5168	2	3	4	7	10
016	11251	9.4609	3	4	7	11	18
017	3531	5.9046	2	3	5	7	11
018	13289	8.0923	2	4	6	10	15
019	7445	5.3316	1	2	4	7	10
020	7231	12.5629	2	5	9	16	26
021	902	10.2328	3	5	7	12	19
022	9960	5.8892	2	3	4	7	10
023	3403	6.6300	1	2	5	8	13
024	52597	7.7293	2	3	5	9	15
025	23984	4.5640	1	2	3	5	8
026	49	4.4082	1	2	3	6	8
027	2644	8.2924	1	2	5	10	19
028	7730	9.7026	1	3	6	12	20
029	3782	4.9014	1	2	3	6	10
030	1	2.0000	2	2	2	2	2
031	3948	6.6175	1	2	4	8	13
032	3164	3.7437	1	2	3	4	7
034	12926	8.7686	2	3	6	10	18
035	3988	5.4953	1	2	4	7	10
036	21279	2.5704	1	1	2	3	4
037	2818	4.5055	1	2	3	5	10
038	868	2.7252	1	1	2	3	5
039	12974	1.8935	1	1	2	3	3
040	4021	3.1423	1	1	2	3	8
042	22180	2.7146	1	1	2	3	5
043	218	4.4633	2	2	4	5	7
044	2134	6.9817	3	4	5	8	12
045	2708	4.5000	1	2	4	8	8
046	2989	6.0263	1	2	4	8	12
047	2161	4.4308	1	1	3	5	8
048	2	8.0000	6	6	10	10	10
049	3890	11.1746	2	4	7	14	24
050	5331	2.8379	1	1	2	3	5
051	682	2.8871	1	1	2	3	6
052	184	3.7935	1	1	2	4	7
053	7686	3.1275	1	1	2	3	7

TABLE 7B - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 08/91 GROUPER V9.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
055	4589	2.7400	1	1	1	2	5
056	1475	2.6902	1	1	1	3	6
057	727	5.5818	1	2	3	7	13
059	221	2.1357	1	1	1	2	4
061	397	4.6700	1	1	2	5	11
063	5054	6.1646	1	2	4	7	12
064	4871	9.1513	1	2	5	11	21
065	30842	4.1830	1	2	3	5	8
066	8590	4.1759	1	2	3	5	7
067	454	5.3744	2	3	4	7	10
068	17866	6.2260	2	3	5	7	11
069	6438	4.6368	2	3	4	6	8
070	35	4.6571	1	2	3	4	7
071	156	6.2244	2	3	5	7	13
072	699	4.8126	1	2	3	6	10
073	7250	6.0946	1	2	3	8	12
075	30656	14.1444	6	8	11	17	26
076	37638	14.8958	4	7	11	18	29
077	3886	6.8183	1	2	5	9	14
078	26199	10.3289	4	7	9	12	17
079	126078	12.2573	4	6	9	15	23
080	10270	8.3759	3	5	7	10	15
081	7	5.8571	1	4	6	7	8
082	71844	9.6758	2	4	7	12	20
083	7617	8.1767	2	4	6	10	15
084	2107	5.1353	1	2	4	6	9
085	16941	9.0609	2	4	7	11	18
086	2115	5.6430	2	3	4	7	11
087	67497	8.3952	2	4	7	10	16
088	135897	7.4992	3	4	6	9	14
089	388112	8.9614	3	5	7	11	16
090	55225	6.4234	3	4	6	8	11
091	42	5.5000	2	2	4	8	11
092	9036	8.9696	3	4	7	11	17
093	1613	6.6993	2	4	5	8	12
094	9260	9.3541	3	4	7	12	18
095	1379	5.6911	2	3	4	7	10
096	194708	7.2539	3	4	6	9	13
097	39946	5.3982	2	3	5	7	9
098	13	6.6923	2	2	7	9	11
099	32498	5.6175	2	2	4	7	11
100	11896	3.2114	1	2	3	4	6
101	20283	7.1869	2	2	5	9	14
102	4397	4.4883	2	2	3	6	9
103	213	36.0751	13	16	24	40	72
104	15396	22.5103	9	13	18	26	40
105	14598	16.2850	8	9	12	18	29
106	59865	15.7204	8	10	13	18	24
107	58583	13.9087	7	8	10	15	23
108	7961	16.6652	7	9	13	19	30
110	47955	14.5721	3	8	11	17	27

TABLE 7B - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPER V9.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENT*	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
111	7211	8.9118	3	7	8	11	14
112	103153	6.4287	2	3	5	8	13
113	36342	19.4208	6	9	14	23	38
114	8561	12.6688	3	6	10	16	24
115	7380	14.4519	6	8	12	17	25
116	60126	7.5439	2	3	6	9	14
117	3297	5.6157	1	2	4	7	11
118	7893	4.3808	1	1	2	5	9
119	3731	6.1891	1	2	3	7	15
120	33071	12.9064	2	3	8	17	29
121	133199	10.0125	4	6	9	12	17
122	100409	7.2618	2	5	7	9	12
123	55918	5.5010	1	1	3	7	13
124	109838	5.9303	1	2	5	8	12
125	92468	3.1572	1	1	2	4	7
126	21.8718	3.884	5	10	18	30	42
127	573627	7.9115	3	4	6	10	15
128	25346	8.5501	4	6	8	10	14
129	8831	4.6708	1	1	1	6	12
130	67455	8.2319	2	4	7	10	15
131	26856	6.0038	1	3	6	8	11
132	12923	5.5824	1	2	4	7	10
133	4578	4.4045	1	2	3	5	7
134	30666	5.1585	2	3	4	6	9
135	6530	7.0816	2	3	5	8	13
136	1532	4.2121	1	2	3	5	8
138	176131	6.0782	2	3	5	7	11
139	72805	3.8805	1	2	3	5	7
140	352856	4.6255	2	2	3	6	8
141	76938	5.8130	2	3	4	7	10
142	39606	3.8764	1	2	3	5	7
143	111106	3.4387	1	2	3	4	6
144	61208	7.4233	2	3	6	9	15
145	10464	4.6673	1	2	3	6	9
146	7016	14.4059	8	9	12	18	24
147	1901	9.7843	6	8	9	11	14
148	135987	16.7552	7	9	13	19	30
149	20218	9.7397	6	8	11	14	14
150	20552	14.0669	6	7	11	17	25
151	5466	8.0675	3	5	7	10	13
152	4514	10.7638	4	5	9	12	18
153	2338	7.4358	4	5	7	9	11
154	39172	18.9199	6	9	14	22	36
155	4961	9.1264	4	6	8	11	15
156	3	14.3333	8	8	12	23	23
157	13890	6.6734	2	3	5	8	13
158	11925	3.1707	1	2	2	4	6
159	15759	6.5473	2	3	5	8	12
160	13716	3.6040	1	2	3	5	7
161	27683	4.6369	1	2	3	5	9
162	28899	2.2913	1	1	2	3	4

TABLE 7B - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 08/91 GROUPER V9.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
163	12	4.9167	1	2	4	7	10
164	4557	11.6230	5	7	10	13	19
165	1961	7.5778	4	5	7	9	11
166	2628	7.5909	3	4	6	9	13
167	2280	4.4202	2	3	4	5	7
168	2062	6.6945	1	2	4	7	15
169	1768	2.7415	1	1	2	3	6
170	12423	16.5287	3	7	12	20	33
171	1567	7.3957	1	3	6	9	15
172	31557	10.4493	2	4	7	13	21
173	3784	5.4704	1	2	4	7	11
174	151198	7.1197	2	4	5	8	13
175	25703	4.5689	2	3	4	6	8
176	12775	7.8233	2	4	6	9	15
177	15979	6.3652	2	3	5	8	11
178	7670	4.5362	2	3	4	6	8
179	8047	9.5687	3	5	7	11	18
180	64435	7.7725	2	4	6	9	15
181	23391	4.6978	2	3	4	6	8
182	252919	6.4020	2	3	5	8	12
183	81693	4.3431	1	2	4	5	8
184	54	3.6111	1	2	3	4	5
185	4084	6.2835	1	2	4	8	13
186	1	6.0000	6	6	6	6	6
187	1334	3.5810	1	1	2	4	8
188	47781	7.4524	2	3	5	9	15
189	10177	3.9257	1	1	3	5	8
190	133	5.4436	1	3	4	7	10
191	10901	20.5765	7	10	15	25	40
192	1231	10.3404	4	6	9	12	18
193	12818	16.9673	7	10	14	20	30
194	1771	10.5370	4	7	9	13	18
195	19507	12.6046	6	8	10	15	21
196	2586	8.4169	4	6	8	10	13
197	64265	9.6255	4	5	8	11	17
198	40231	5.3100	2	3	5	8	9
199	2941	15.4736	5	7	12	20	30
200	1744	14.5619	2	5	10	18	30
201	5104	12.7406	3	5	9	16	26
202	14977	9.9615	2	4	8	12	20
203	29572	9.9080	2	4	7	13	20
204	36616	8.1248	3	4	6	10	15
205	20778	9.4421	2	4	6	12	19
206	2725	5.2826	1	2	4	7	11
207	36546	7.2530	2	3	6	9	14
208	14759	4.1625	1	2	3	5	8
209	240458	11.3931	6	8	10	13	17
210	106128	13.8161	6	8	11	15	23
211	32049	10.1703	5	7	9	12	16
212	16	5.7500	1	2	5	6	7
213	5630	13.3172	3	6	10	16	26



TABLE 7B - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPEL V9.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
214	36941	11.3791	4	6	9	13	21
215	36594	6.8823	3	4	6	8	12
216	7168	14.8963	3	6	11	19	31
217	15457	22.2735	4	8	15	28	48
218	16559	9.5443	3	5	7	11	18
219	17568	5.6153	2	3	5	7	10
220	7	4.7143	1	2	3	7	7
221	4878	11.2612	2	5	8	14	23
222	6030	5.5277	1	2	4	7	11
223	13413	4.4091	1	2	3	5	8
224	8632	3.0514	1	2	3	4	5
225	11375	5.1714	1	2	3	6	11
226	5346	9.6362	2	3	6	12	21
227	7183	4.0500	1	2	3	5	8
228	4839	3.9149	1	1	2	4	5
229	3139	2.7560	1	1	2	3	5
230	3527	6.8665	1	2	4	8	14
231	9578	6.7587	1	2	4	8	16
232	746	7.5764	1	2	3	9	19
233	6078	12.9210	3	6	9	15	26
234	4098	6.3599	1	3	5	8	12
235	6210	12.5018	2	4	7	14	29
236	38079	9.4202	2	4	7	11	18
237	1704	6.1408	2	3	4	7	12
238	6194	14.3629	4	7	11	17	29
239	59881	10.3142	3	5	8	13	20
240	10939	9.9284	3	4	7	12	19
241	4413	5.9803	2	3	5	7	11
242	2407	11.5393	3	5	8	14	23
243	114134	6.8384	2	3	5	9	13
244	11265	7.7269	2	3	6	9	14
245	6295	5.3957	1	3	4	7	10
246	1847	5.8522	2	3	4	7	11
247	9722	5.0947	1	2	4	6	10
248	6327	6.4113	2	3	5	8	12
249	7923	6.6915	1	2	4	8	14
250	3466	6.7002	1	2	3	8	13
251	3640	3.5099	1	3	5	8	7
253	16791	8.4184	2	3	6	10	16
254	13590	4.9929	1	3	6	9	9
255	1	7.0000	1	2	4	7	7
256	9246	5.6161	1	2	4	6	11
257	27707	5.6150	2	3	5	6	9
258	27132	4.0367	2	3	4	5	6
259	3748	6.3826	1	2	4	7	13
260	4486	2.8417	1	2	3	3	5
261	3428	2.7932	1	1	2	3	5
262	1652	2.9401	1	1	2	3	5
263	25981	22.1450	5	9	15	26	44
264	4710	12.0314	3	5	9	15	25
265	4927	10.1551	2	3	7	12	22

TABLE 7B - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPER V9.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
266	4706	4.4084	1	2	3	6	9
267	431	4.5499	1	1	3	5	10
268	1578	4.5311	1	1	2	4	9
269	10457	12.3556	2	4	9	15	25
270	5311	4.4265	1	2	3	5	9
271	19459	12.5254	3	6	9	14	23
272	7048	9.8527	3	5	7	12	19
273	2496	7.0208	2	3	5	8	14
274	3465	10.3172	2	4	7	13	22
275	471	4.9130	1	2	3	6	10
276	896	5.6239	1	2	4	7	10
277	65676	8.7557	3	5	7	10	15
278	26278	6.3713	3	4	5	8	11
279	5	4.0000	2	2	3	4	9
280	13421	6.6174	2	3	5	8	13
281	8300	4.4796	1	2	3	5	8
283	5765	7.3778	2	3	5	8	14
284	2714	4.8165	1	2	4	6	9
285	4310	21.0865	6	9	15	25	42
286	1693	12.5960	5	6	9	14	23
287	6026	20.3699	5	8	13	23	41
288	501	11.0439	3	4	6	10	24
289	3810	5.9320	2	2	4	6	13
290	9331	3.8228	1	2	3	4	8
291	149	2.1342	1	1	2	2	4
292	4667	18.2023	4	7	13	22	36
293	565	8.1257	1	3	6	11	17
294	92585	7.5243	3	4	6	9	13
295	3338	6.0171	2	3	4	7	11
296	202509	8.5557	2	3	6	10	16
297	48152	5.2999	2	3	4	6	10
298	83	3.7952	1	1	3	5	9
299	834	7.3141	1	3	5	9	15
300	11368	9.4962	3	4	7	11	18
301	2165	5.7058	2	2	4	7	10
302	6705	16.6095	8	9	13	19	28
303	17273	14.0262	6	8	11	16	24
304	14417	13.8455	4	7	10	16	26
305	4086	3.8769	2	3	6	9	13
306	12143	9.3273	3	4	7	12	18
307	4738	4.9491	2	3	4	6	9
308	10256	9.6895	2	3	7	12	20
309	4803	4.3092	1	2	3	5	9
310	34984	5.7871	1	2	4	7	11
311	21996	2.8788	1	1	2	4	5
312	3531	5.8816	1	2	4	7	12
313	2266	2.8605	1	1	2	3	6
314	4	6.0000	1	1	6	8	9
315	26895	12.8535	1	3	8	16	28
316	47333	9.3754	2	4	7	12	19
317	1066	4.1623	1	1	2	4	8

TABLE 78 - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPEE V9.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
318	6955	9.0966	2	3	6	11	19
319	1109	3.9766	1	1	2	5	8
320	154713	8.6559	3	4	7	10	15
321	31082	5.9231	2	3	5	7	10
322	45	5.8444	2	3	4	7	11
323	21468	4.2504	1	2	3	5	9
324	14567	2.6347	1	1	2	3	5
325	9889	6.0153	2	3	4	7	11
326	4162	3.8275	1	2	3	5	7
327	5	4.6000	1	1	2	6	12
328	1442	5.2171	1	2	4	6	10
329	348	2.7529	1	1	2	6	10
331	27932	7.6051	2	3	6	9	15
332	6656	4.3993	1	2	3	6	9
333	313	7.0032	1	2	5	10	16
334	15754	10.0598	6	7	9	11	16
335	8906	7.8550	5	6	7	9	11
336	102987	6.1737	3	3	5	7	11
337	91068	4.0589	2	3	4	5	6
338	8357	5.3437	1	1	2	7	13
339	3790	4.4071	1	1	2	5	10
340	1	2.0000	2	2	2	2	2
341	14578	4.4113	1	2	3	5	8
342	540	4.2111	1	1	2	5	10
343	1	2.0000	2	2	2	2	2
344	3981	6.0829	2	3	5	7	11
345	2597	5.0181	1	2	3	6	10
346	8499	8.6457	2	3	6	11	18
347	1182	4.1091	1	1	3	5	9
348	4397	5.7228	1	2	4	7	11
349	2042	3.0637	1	1	2	4	6
350	8113	5.9733	2	3	5	7	10
351	4	4.2500	3	3	4	5	5
352	922	4.7397	1	2	3	6	9
353	2284	13.1125	5	7	10	14	23
354	8601	8.7581	4	5	7	10	15
355	6197	5.4039	4	4	5	6	8
356	29357	4.6865	2	3	4	5	7
357	6818	12.7077	5	7	10	15	23
358	20285	7.0069	4	4	6	8	11
359	26871	4.9223	3	4	5	5	7
360	9043	5.4823	2	3	4	6	9
361	344	5.3081	1	1	3	7	11
363	5109	4.7751	1	2	3	4	9
364	2932	3.7190	1	1	2	4	8
365	3642	10.9561	3	4	7	13	23
366	5243	10.2056	2	4	7	13	22
367	983	4.3469	1	2	3	5	9
368	1473	7.8391	3	4	6	9	15
369	2686	4.7450	1	2	3	6	10
370	590	8.0729	3	4	5	8	14

TABLE 78 - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/81 GROUPER V9.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
371	739	4.3813	3	3	4	5	6
372	372	4.9194	2	2	3	5	10
373	2451	2.5451	1	2	2	3	3
374	83	3.0241	2	2	2	3	5
375	7	4.0000	2	2	3	4	5
376	136	3.7353	1	2	2	4	7
377	28	5.8571	1	1	3	7	13
378	149	4.3087	2	3	4	5	6
379	239	3.0544	1	1	2	3	6
380	66	1.9242	1	1	1	2	3
381	238	2.1176	1	1	1	2	3
382	70	1.4429	1	1	1	2	4
383	865	4.4486	1	2	3	6	9
384	115	3.0522	1	1	2	4	6
385	1	5.0000	5	5	5	5	5
389	25	8.4800	2	4	6	10	16
390	22	6.0909	1	2	5	6	14
391	2	2.0000	2	2	2	2	2
392	2365	15.4083	5	7	11	19	30
393	1	11.0000	11	11	11	11	11
394	2079	10.6647	1	2	6	13	24
395	72427	6.5510	2	3	5	8	13
396	18	4.3889	1	1	2	4	11
397	11656	7.6703	2	3	6	9	15
398	13781	8.6654	3	4	7	10	16
399	2025	5.5210	1	2	4	7	10
400	7962	14.1110	3	6	10	17	30
401	6379	15.2275	3	6	11	19	31
402	2706	5.4401	1	2	4	7	12
403	27120	11.9631	2	5	8	15	25
404	5879	5.7724	1	2	4	8	12
405	3	13.0000	3	3	16	20	20
406	3903	14.9188	4	7	11	19	31
407	1164	6.6589	2	4	6	8	12
408	6695	7.2877	1	2	4	8	16
409	7091	9.8284	2	4	5	13	22
410	134772	3.5377	1	2	3	4	6
411	208	4.3269	1	1	2	4	8
412	253	2.9842	1	1	2	3	7
413	10233	11.1098	2	4	8	14	23
414	2249	6.7408	1	2	4	8	14
415	26657	21.0096	5	9	15	26	42
416	125116	10.6382	2	5	8	13	20
417	30	6.3000	2	3	6	8	10
418	13267	8.4852	3	4	7	10	16
419	16790	7.6529	2	4	6	9	14
420	4096	5.5891	2	3	4	7	10
421	14773	5.6748	2	3	4	7	10
422	109	5.5321	2	3	4	7	10
423	6619	11.8470	3	5	8	14	24
424	2922	23.6485	2	7	15	27	47

TABLE 7B - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPER V9.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	80TH PERCENTILE
425	17513	6.8859	2	3	5	8	14
426	6868	7.8308	2	3	5	9	16
427	1953	7.8561	2	3	5	10	18
428	1180	10.7924	2	4	7	13	24
429	30019	12.3399	3	4	7	13	23
430	57140	12.7816	3	5	9	16	26
431	301	9.1761	2	3	6	11	20
432	532	6.8684	1	2	4	7	16
433	5718	4.6884	1	1	3	6	11
434	18621	8.0887	2	3	5	9	17
435	13262	7.0013	2	3	5	8	15
436	2297	19.1615	6	12	20	28	29
437	9721	17.6113	6	10	16	25	29
439	1036	11.8137	1	3	7	13	27
440	4445	13.9170	2	4	9	17	30
441	860	3.5709	1	1	2	4	7
442	10932	10.4135	1	3	7	13	22
443	6269	4.0078	1	1	3	5	9
444	4202	7.1378	2	3	5	8	13
445	2688	4.7868	1	2	4	6	9
446	2	2.5000	2	2	3	3	3
447	3063	3.5573	1	1	2	4	7
448	1	61.0000	61	61	61	61	61
449	29608	6.0423	1	2	4	7	12
450	8501	3.5250	1	1	2	4	7
451	5	3.0000	1	1	3	4	5
452	16316	6.3213	1	2	4	7	13
453	6154	3.7727	1	2	3	5	7
454	4099	7.5482	1	2	4	8	15
455	1239	3.6683	1	1	2	4	7
456	210	11.5085	1	2	6	13	27
457	166	6.0904	1	1	2	10	15
458	1724	23.5737	5	10	18	30	48
459	565	15.7689	3	6	11	19	31
460	2563	9.2790	2	4	7	11	19
461	6496	5.1178	1	1	2	4	12
462	6386	18.4519	5	9	16	24	35
463	9544	6.8529	2	3	5	8	13
464	3259	4.2409	1	2	3	5	8
465	690	2.8652	1	1	2	3	6
466	4161	5.5064	1	1	2	5	11
467	3804	5.0862	1	1	2	4	9
468	64224	19.4700	4	8	15	24	38
471	6195	15.7525	8	13	21	31	41
472	219	37.7352	4	9	15	24	38
473	8484	17.3004	2	4	10	18	26
475	75719	14.3178	2	6	11	18	28
476	11279	17.7986	7	10	14	21	31
477	37103	10.6724	1	3	7	13	22
478	96469	11.0879	2	4	8	14	23
479	21471	5.9474	1	2	5	8	11

TABLE 78 - MEDICARE PROSPECTIVE PAYMENT SYSTEM  
SELECTED PERCENTILE LENGTHS OF STAY  
FY90 MEDPAR UPDATE 06/91 GROUPER V9.0

DRG	NUMBER DISCHARGES	ARITHMETIC MEAN LOS	10TH PERCENTILE	25TH PERCENTILE	50TH PERCENTILE	75TH PERCENTILE	90TH PERCENTILE
480	32	51.7813	13	15	38	68	128
481	55	41.2909	20	28	37	48	71
482	5845	17.9211	6	9	13	20	32
483	25702	52.2390	15	25	41	64	96
484	306	23.8039	2	8	20	33	48
485	2307	18.1747	7	9	13	20	32
486	1734	18.8764	1	7	14	24	41
487	2716	11.3262	2	5	9	14	23
488	392	22.8061	6	11	18	28	43
489	2941	14.3495	3	6	10	17	29
490	1278	9.3005	1	3	5	10	19
491	5734	7.0042	3	4	6	8	12
492	991	13.8628	2	4	6	23	35

BILLING CODE 4120-03-C

## STATEWIDE AVERAGE OPERATING COST-TO-CHARGE RATIOS FOR URBAN AND RURAL HOSPITALS

[Case weighted] August 1991

State	Urban	Rural
Alabama.....	0.4995	0.5379
Alaska.....	0.6487	0.8176
Arizona.....	0.5897	0.6283
Arkansas.....	0.6119	0.5807
California.....	0.5380	0.5736
Colorado.....	0.6030	0.6490
Connecticut.....	0.6971	0.7515
Delaware.....	0.6161	0.6342
District of Columbia.....	0.5683	—
Florida.....	0.5135	0.5233
Georgia.....	0.6040	0.5886
Hawaii.....	0.6040	0.7478
Idaho.....	0.6865	0.6897
Illinois.....	0.5803	0.6466
Indiana.....	0.6759	0.7134
Iowa.....	0.6720	0.7340
Kansas.....	0.6410	0.7170
Kentucky.....	0.5993	0.5820
Louisiana.....	0.5932	0.5821
Maine.....	0.7143	0.6601
Maryland.....	0.7666	0.7934
Massachusetts.....	0.7358	0.8902
Michigan.....	0.5749	0.6658
Minnesota.....	0.6625	0.7158
Mississippi.....	0.6132	0.5979
Missouri.....	0.5528	0.5769
Montana.....	0.6509	0.6898
Nebraska.....	0.6111	0.7094
Nevada.....	0.5008	0.7454
New Hampshire.....	0.6918	0.7069
New Jersey.....	0.7903	—
New Mexico.....	0.5418	0.5970
New York.....	0.6664	0.7204
North Carolina.....	0.6686	0.5961
North Dakota.....	0.7191	0.6878
Ohio.....	0.6501	0.6701
Oklahoma.....	0.5716	0.6182
Oregon.....	0.6368	0.6881
Pennsylvania.....	0.5311	0.5976
Puerto Rico.....	0.5270	0.6887
Rhode Island.....	0.7650	—
South Carolina.....	0.5701	0.5491
South Dakota.....	0.6493	0.6659
Tennessee.....	0.5697	0.5789
Texas.....	0.5729	0.6748
Utah.....	0.6533	0.6457
Vermont.....	0.6877	0.6942
Virginia.....	0.5927	0.6097
Washington.....	0.7119	0.7374
West Virginia.....	0.6127	0.5785
Wisconsin.....	0.7525	0.7502
Wyoming.....	0.7223	0.7582

## STATEWIDE AVERAGE CAPITAL COST-TO-CHARGE RATIOS FOR URBAN AND RURAL HOSPITALS

[Case weighted] August 1991

State	Ratio
Alabama.....	0.0627
Alaska.....	0.0854
Arizona.....	0.0767
Arkansas.....	0.0704
California.....	0.0538
Colorado.....	0.0578
Connecticut.....	0.0428
Delaware.....	0.0658
District of Columbia.....	0.0463
Florida.....	0.0714
Georgia.....	0.0639
Hawaii.....	0.0750

## STATEWIDE AVERAGE CAPITAL COST-TO-CHARGE RATIOS FOR URBAN AND RURAL HOSPITALS—Continued

[Case weighted] August 1991

State	Ratio
Idaho.....	0.0852
Illinois.....	0.0589
Indiana.....	0.0751
Iowa.....	0.0660
Kansas.....	0.0626
Kentucky.....	0.0730
Louisiana.....	0.0783
Maine.....	0.0519
Maryland.....	0.0583
Massachusetts.....	0.0715
Michigan.....	0.0615
Minnesota.....	0.0656
Mississippi.....	0.0686
Missouri.....	0.0627
Montana.....	0.0805
Nebraska.....	0.0617
Nevada.....	0.0530
New Hampshire.....	0.0655
New Jersey.....	0.0832
New Mexico.....	0.0649
New York.....	0.0660
North Carolina.....	0.0537
North Dakota.....	0.0818
Ohio.....	0.0681
Oklahoma.....	0.0705
Oregon.....	0.0658
Pennsylvania.....	0.0568
Puerto Rico.....	0.0784
Rhode Island.....	0.0424
South Carolina.....	0.0778
South Dakota.....	0.0739
Tennessee.....	0.0699
Texas.....	0.0738
Utah.....	0.0648
Vermont.....	0.0603
Virginia.....	0.0647
Washington.....	0.0782
West Virginia.....	0.0648
Wisconsin.....	0.0640
Wyoming.....	0.0804

## TABLE 9.—PERCENTAGE DIFFERENCE IN WAGE INDEXES FOR AREAS THAT QUALIFY FOR A WAGE INDEX EXCEPTION FOR EXCLUDED HOSPITALS AND UNITS

Area	1982-88 percentage difference	1984-88 percentage difference
Rural Connecticut.....	14.831	17.111
Rural Hawaii.....	—	8.903
Rural Massachusetts.....	11.457	15.086
Boston-Lowell-Brockton-Lawrence-Salem, MA.....	—	9.313
Caguas, PR.....	—	12.837
Charlottesville, VA.....	—	8.807
Charlotte-Gastonia-Rock Hill, NC-SC.....	—	13.400
Fayetteville-Springdale, AR.....	—	8.316
Florence, AL.....	—	8.406
Florence, SC.....	10.636	9.502
Fort Myers-Cape Coral, FL.....	—	8.941
Fort Pierce, FL.....	9.049	—
Fort Walton Beach, FL.....	—	9.069
Hartford-Middletown-New Britain, CT.....	—	8.477
Macon-Warner Robins, GA.....	—	12.931

## TABLE 9.—PERCENTAGE DIFFERENCE IN WAGE INDEXES FOR AREAS THAT QUALIFY FOR A WAGE INDEX EXCEPTION FOR EXCLUDED HOSPITALS AND UNITS—Continued

Area	1982-88 percentage difference	1984-88 percentage difference
Manchester-Nashua, NH.....	8.083	9.418
Modesto, CA.....	—	8.300
New Haven-West Haven-Waterbury, CT.....	8.215	12.426
New London-Norwich, CT.....	—	8.558
Odessa, TX.....	13.455	16.733
Orange County, NY.....	—	8.551
Panama City, FL.....	—	9.367
Portsmouth-Dover-Rochester, NH.....	8.496	—
Providence-Pawtucket-Woonsocket, RI.....	—	9.163
Provo-Orem, UT.....	—	10.394
Rochester, MN.....	8.194	—
St. Joseph, MO.....	—	8.411
Tallahassee, FL.....	10.590	10.408
Victoria, TX.....	—	9.128
Worcester-Fitchburg-Leominster, MA.....	8.089	14.941

## Appendix A—Regulatory Impact Analysis

## I. Introduction

Executive Order (E.O.) 12291 requires us to prepare and publish an initial regulatory impact analysis for any final rule that meets one of the Executive Order 12291 criteria for a "major rule"; "that is, a rule that will be likely to result in—

- An annual effect on the economy of \$100 million or more;
- A major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or
- A significant adverse effect on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

In addition, we generally prepare a regulatory flexibility analysis that is consistent with the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 through 612), unless the Secretary certifies that a final rule will not have a significant economic impact on a substantial number of small entities. For purposes of the RFA, we consider all hospitals to be small entities.

Also, section 1102(b) of the Act requires the Secretary to prepare a regulatory impact analysis for any final rule that may have a significant impact



on the operations of a substantial number of small rural hospitals. Such an analysis must conform to the provisions of section 603 of the RFA. With the exception of hospitals located in certain New England counties, for purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital with fewer than 100 beds located outside of a Metropolitan Statistical Area or New England County Metropolitan Area.

Section 601(g) of the Social Security Amendments of 1983 (Pub. L. 98-21) designated hospitals in certain New England counties as belonging to the adjacent New England Metropolitan County. Thus, for purposes of the prospective payment system, we classified these hospitals as urban hospitals.

It is clear that the changes being implemented in this document will affect both a substantial number of small rural hospitals as well as other classes of hospitals, and the effects on some may be significant. Therefore, the discussion below, in combination with the rest of this final rule, constitutes a combined regulatory impact analysis and regulatory flexibility analysis in accordance with E.O. 12291 and the RFA.

## II. Changes in the Final Rule

In this final impact analysis, we are focusing on the aspects of the final rule that have been revised from those presented in the proposed rule (and, thus, were part of the initial impact analysis). In general, the changes in this final impact analysis are the result of using later or more complete hospital data. Since publication of the June 3, 1991 proposed rule, the latest hospital market basket data project an increase of 4.4 percent compared to the 3.8 percent increase reported in the proposed rule. This means that standardized amounts for urban hospitals will be increased by 2.8 percent rather than by 2.2 percent as presented in the proposed rule. Similarly, the standardized rates for rural hospitals will be increased by 3.8 percent rather than 3.2 percent; and the hospital-specific rates for sole community hospitals and Medicare-dependent, small rural hospitals will be increased by 4.4 percent. The market basket for excluded hospitals is now projected to increase 4.7 percent compared to 4.0 percent projected at the time of the proposed rule. Thus, the rate-of-increase limit for excluded hospitals will be increased by the new market basket rate of increase.

Also, since publication of the proposed rule, the Medicare Geographic Classification Review Board (MCCRB)

has approved another 360 applications for reclassification on the basis of wage index, standardized amount or both. In connection with reclassifications by the MCCRB, one of the effects of these decisions has been a reduction of the wage index values for certain urban areas to levels below the Statewide wage index for rural areas. This rule implements a new interpretation of section 1886(d)(8)(C)(iii) of the Act that establishes the Statewide wage index value for rural areas within a State as the floor below which wage index values may not fall as a result of MCCRB decisions. As explained in section IV.C of the preamble to this final rule, we are expanding the application of this provision to urban areas with wage index values that have been above the Statewide rural wage index value, and that have fallen below the Statewide rural wage index value as a result of decisions by the MCCRB. We discuss the impact of reclassified hospitals, in detail, in section V.C of this impact analysis.

## III. Hospitals Included In and Excluded From the Prospective Payment System

In general, hospitals became subject to the prospective payment system for operating costs with the start of their cost reporting period beginning on or after October 1, 1983. As of August 6, 1991, 5,495 hospitals (approximately 84 percent of all Medicare-participating hospitals) were identified as Medicare-participating, short-term, acute care hospitals. Of this number, only 59 hospitals remain excluded from the prospective payment system under section 1814(b)(3) of the Act (that is, under a State cost control system) or a demonstration project. (The hospitals are located in the State of Maryland and in the Finger Lakes region of New York State, respectively.) Thus, as of August 6, 1991, about 5,436 hospitals were operating under the prospective payment system.

Among the 5,436 prospective payment hospitals, there are over 1,160 hospitals that are paid on various special bases under the prospective payment system, as required by statute. They include sole community hospitals; Medicare-dependent, small rural hospitals; and rural referral centers. In addition, there are some 1,580 hospitals that are receiving additional payments on the basis of being classified as disproportionate share hospitals. About 30 of these hospitals also receive special payments as rural referral centers. About 1,200 hospitals are receiving additional payments for the indirect cost of medical education. There are about 610 hospitals that qualify for additional

payments under both the indirect medical education and disproportionate share payment provisions.

As of August 6, 1991, 706 Medicare hospitals were excluded from the prospective payment system and continue to be paid on the basis of their reasonable cost, subject to limits on the rate of increases in their operating costs per case. These hospitals include psychiatric, rehabilitation, long-term care, and children's hospitals. Another almost 1,830 psychiatric and rehabilitation units in hospitals subject to the prospective payment system are excluded from the prospective payment system as of the same date. These units are also paid on the basis of reasonable cost subject to limits on the rate of increases in their operating costs per case. In addition, there are currently nine hospitals that HCFA has designated as cancer research or treatment hospitals that are excluded from the prospective payment system.

## IV. Impact on Excluded Hospitals and Units

As noted in the preceding section of this impact analysis, almost 990 Medicare hospitals, and 1,820 units in hospitals included in the prospective payment system, currently are paid on a reasonable cost basis subject to the rate-of-increase ceiling requirement of § 413.40. Section 4005 of Public Law 101-508 amended section 1886(b)(1) of the Act to provide that an excluded hospital or unit with cost reporting periods beginning on or after October 1, 1991 will be paid 50 percent of the costs in excess of the target amount. This additional payment, however, is not to exceed 10 percent of the target amount after any exceptions or adjustments are made to the target amount for the cost reporting period.

We do not possess data that are sufficiently current to enable us to model the impact of the payment provisions for hospitals excluded from the prospective payment system with any degree of certainty. In general, excluded hospitals will benefit from the rate-of-increase payment method to the degree they are able to keep their inpatient operating costs below their rate-of-increase limit. Our revision of the rate of increase in the market basket for excluded hospitals from 4.0 percent to 4.7 percent will benefit those hospitals that have experienced price increases above the rate of increase that was presented in the proposed rule. Yet, at the same time, limiting payment increases to the market basket rate of increase provides an adequate incentive for hospitals to constrain spending.

### V. Quantitative Impact Analysis of the Final Policy Changes on Prospective Payment Hospitals

#### A. Limitations of Our Analysis

As has been the case in previously published prospective payment system regulatory impact analyses, the following quantitative analysis is limited to presenting the projected effects of the final policy and rate changes on current and projected payment rates. In the analysis that follows, we examine the effects of both statutory and final policy changes on hospital payments by projecting estimated payments under each set of statutory or policy changes compared to the current payment amounts. That is, we project the effects of each statutory or policy change on payments while holding all other payment variables constant. Thus, we are not attempting to predict behavioral responses to the changes, and we are not generally accounting for changes in such exogenous variables as admissions, lengths of stay, or case mix.

In view of the difficulty we have in quantifying impacts and attributing causality, we believe that the approach we are taking in the specific impact discussions below is the most reasonable one. Wherever possible, we have included quantitative representations of the changes being implemented in this document.

#### B. Basis and Methodology of Estimates

The data used in developing the following quantitative analysis of changes in payments, presented in Table I below, are taken from fiscal year 1990 billing data, hospital-specific data for fiscal year 1990, and cost report data from hospitals with cost reporting periods beginning in fiscal year 1989. It should be noted that, because of hospital mergers, openings, closings, and terminations from the Medicare program since fiscal year 1990, the set of hospitals used in the impact analysis may differ slightly both in composition and number from those hospitals that are currently participating in the

Medicare program. As in previous analyses, we compared the estimated effects of changes being implemented in this document to our estimate of the payment amounts under policies in effect for the previous payment period. Normally, we compare the final payments to payments that went into effect at the beginning of the current fiscal year. However, section 4007 of Public Law 101-508 froze all Medicare Part A payments from October 21, 1990 through December 31, 1990 and made changes in the payment policies effective January 1, 1991. Thus, in this analysis, we are comparing the final changes in hospital prospective payments to the rates that went into effect on January 1, 1991, which were announced in a final rule with comment published January 7, 1991 (56 FR 568). In order to simulate the impact of the final payments, we have treated all hospitals in our data base as if they have cost reporting periods that begin on October 1, the beginning of the Federal fiscal year. Only by establishing the same cost reporting period for all hospitals can we show the effect of policy changes on payments for comparable 12-month periods.

Our analysis has several limitations. First, it does not take into account behavioral changes that hospitals may adopt in response to the policy changes being implemented in this final rule. Second, as a result of gaps in our data, we are unable to quantify some of the effects of the changes contained in this rule. Third, we could not categorize all the hospitals in our data base because in some cases the hospital-specific data necessary for constructing our impact model were missing. For some hospitals, data on hospital bed size and type of ownership were missing. The missing data, however, did not prevent us from using the discharges from these facilities to estimate the payments for fiscal year 1991 and the projected payments under the policies for fiscal year 1992 that serve as the bases of our simulation.

To illustrate the effects of hospital reclassifications for fiscal year 1992 as a

result of MGCRB decisions, we are dividing the analysis presented in Table I into two parts. The first part shows changes in payments to hospitals based on their actual geographic location. The second part of the analysis shows changes in payments based on a hospital's geographic classification for purposes of the standardized amount under the prospective payment system after any reclassifications under section 1886(d) (8) or (10) of the Act, rather than its actual geographic location, when there is a difference between the two. For example, our analysis in Table I of hospital payments based on actual geographic location shows that the number of hospitals in large urban, other urban, and rural areas is 1,503, 1,431, and 2,535, respectively. The analysis of hospitals that incorporates reclassifications shows the number of large urban, other urban, and rural hospitals to be 1,641, 1,520, and 2,308, respectively. These effects of geographic reclassification for purposes of obtaining higher payments per case are evident from a comparison of the two analyses within Table I.

The following analysis examines in column 1 of Table I the effects of the annual DRG reclassification and the recalibration of the DRG weights required by section 1886(d)(4)(C) of the Act. In column 2 of Table I, we show the effects of the geographic reclassifications by the MGCRB. For both columns 1 and 2, we hold constant all the payment variables except those associated with the provision under examination. In the last column (column 3), we present the combined effect of all changes being presented in this final rule. That is, column 3 displays the combined effects of the previous two columns as well as changes in the outlier payments and in the update and budget neutrality factors. Thus, this last column is the only one that reflects the effects of all the quantifiable final policy changes on simulated fiscal year 1991 payments.

TABLE I—IMPACT OF CHANGES IN THE INPATIENT HOSPITAL PROSPECTIVE PAYMENT SYSTEM FOR FY/1992

[By Geographic Location]

	No. of hospitals <sup>1</sup>	DRG reclassification and recalibration <sup>2</sup>	Hospital geographic reclassification <sup>2</sup>	All Changes <sup>4</sup>
		(1)	(2)	(3)
All Hospitals.....	5,469	0.0	0.0	3.0
Large Urban Areas (Populations Over 1 Million) .....	1,503	0.0	-1.0	1.9
Other Urban Areas (Populations of 1 Million or Fewer).....	1,431	0.0	-0.3	2.6
Rural Areas.....	2,535	-0.1	3.9	7.3
Urban Hospitals.....	2,934	0.0	-0.7	2.2
0-99 Beds .....	688	-0.1	-0.9	1.9

TABLE I—IMPACT OF CHANGES IN THE INPATIENT HOSPITAL PROSPECTIVE PAYMENT SYSTEM FOR FY/1992—Continued

[By Geographic Location]

	No. of hospitals <sup>1</sup>	DRG reclassifica- tion and recalibration <sup>2</sup>	Hospital geographic reclassifica- tion <sup>3</sup>	All Changes <sup>4</sup>
		(1)	(2)	(3)
100-199 Beds.....	854	-0.1	-0.6	2.1
200-299 Beds.....	628	0.0	-0.6	2.2
300-499 Beds.....	549	0.0	-0.7	2.3
500 or More Beds.....	212	0.2	-0.8	2.3
Rural Hospitals.....	2,535	-0.1	3.9	7.3
0-49 Beds.....	1,239	-0.1	1.2	5.1
50-99 Beds.....	778	-0.1	2.8	6.7
100-149 Beds.....	272	-0.2	4.6	8.0
150-199 Beds.....	119	-0.2	5.2	8.2
200 or More Beds.....	127	0.0	5.6	8.4
Urban by Region:				
New England.....	175	0.1	-0.3	2.5
Middle Atlantic.....	466	0.1	-0.7	1.8
South Atlantic.....	424	0.0	-0.9	2.1
East North Central.....	485	0.1	-0.2	2.8
East South Central.....	169	0.0	-1.0	2.2
West North Central.....	185	-0.1	-0.8	2.3
West South Central.....	359	-0.1	-1.0	2.1
Mountain.....	115	0.0	-0.9	2.3
Pacific.....	507	-0.1	-0.7	2.2
Puerto Rico.....	49	0.0	-0.4	2.3
Rural by Region:				
New England.....	59	0.0	1.6	5.0
Middle Atlantic.....	93	0.0	3.5	6.7
South Atlantic.....	343	-0.2	5.0	8.1
East North Central.....	347	-0.1	3.6	7.0
East South Central.....	301	-0.1	4.1	7.5
West North Central.....	568	-0.1	3.3	6.9
West South Central.....	411	-0.2	4.9	8.3
Mountain.....	245	-0.1	2.5	6.3
Pacific.....	162	-0.1	3.3	7.0
Puerto Rico.....	6	0.1	0.5	4.7
By Payment Classification				
Large Urban Areas (Populations Over 1 Million).....	1,641	0.0	-0.5	2.4
Other Urban Areas (Populations of 1 Million or Fewer).....	1,520	0.0	-0.4	2.6
Rural Areas.....	2,308	-0.1	3.0	6.6
Teaching Status:				
Non-Teaching.....	4,269	-0.1	0.6	3.6
Resident/Bed Ratio Less Than 0.25.....	970	0.0	-0.4	2.5
Resident/Bed Ratio 0.25 or Greater.....	230	0.2	-0.8	2.2
Operating System: Disproportionate Share Hospitals (DSH):				
Non-DSH.....	3,980	0.0	0.2	3.3
Urban DSH:				
100 Beds or More.....	1,128	0.0	-0.5	2.3
Fewer than 100 Beds.....	81	-0.1	1.1	4.2
Rural DSH:				
Sole Community Hospitals (SCH).....	64	-0.1	2.0	6.1
Rural Referral Centers (RRC) (Includes Hospitals That are Both SCH and RRC).....	33	-0.1	4.2	6.8
Other Rural DSH Hospitals:				
100 Beds or more.....	42	-0.2	0.9	4.8
Fewer than 100 Beds.....	141	-0.2	0.9	4.8
Urban Teaching and DSH:				
Both Teaching and DSH.....	597	0.1	-0.7	2.1
Teaching and no DSH.....	523	0.1	-0.5	2.5
No Teaching and DSH.....	612	-0.1	0.2	2.9
No Teaching and no DSH.....	1,429	-0.1	-0.3	2.6
Other Special Status:				
Non Special Status Hospitals.....	1,060	-0.2	2.6	6.6
RRC.....	185	-0.1	5.3	8.0
SCH.....	503	-0.1	1.2	5.4
Medicare-Dependent Hospitals (MDH).....	515	-0.1	0.8	4.9
SCH and RRC.....	45	0.0	3.0	6.3
SCH or MDH.....	1,063	-0.1	1.5	5.4
Hospitals Reclassified by the Medicare Geographic Classification Review Board:				
All Reclassified Hospitals.....	930	-0.1	5.9	8.8
All Non reclassified Hospitals.....	4,487	0.0	-1.0	2.0
All Reclassified Urban Hospitals.....	201	0.0	3.7	6.4
All Reclassified Rural Hospitals.....	729	-0.1	8.0	11.1
Other Reclassified Hospitals:				
(Section 1886(D)(8)(B)).....	52	-0.1	0.7	3.1
Type of Ownership:				
Voluntary.....	2,986	0.0	-0.1	2.8
Proprietary.....	835	-0.1	0.1	3.1
Government.....	1,507	0.0	0.5	3.5

TABLE I—IMPACT OF CHANGES IN THE INPATIENT HOSPITAL PROSPECTIVE PAYMENT SYSTEM FOR FY/1992—Continued

[By Geographic Location]

	No. of hospitals <sup>1</sup>	DRG reclassification and recalibration <sup>2</sup> (1)	Hospital geographic reclassification <sup>3</sup> (2)	All Changes <sup>4</sup> (3)
Medicare Utilization as a Percent of Inpatient Days:				
0-25 .....	354	0.1	-1.0	1.8
25-50 .....	2,888	0.0	0.0	3.0
50-65 .....	1,655	0.0	0.2	3.2
Over 65 .....	374	-0.1	-0.2	2.9

<sup>1</sup> Because data necessary to classify some hospitals by category were missing, these hospitals were omitted from the analysis. Therefore, the total number of hospitals in each category may not equal the national total. Hospital specific data and discharge are from FY 1990, and hospital cost report data are from reporting periods beginning in FY 1989.

<sup>2</sup> Recalibration of the DRG weights and classification changes are based on FY 1990 MEDPAR data and are performed annually in accordance with section 1886(d)(4)(C) of the Act.

<sup>3</sup> Under section 1886(d)(10) of the Act, a hospital may apply to the Medicare Geographic Classification Review Board for the purpose of obtaining a higher wage index, standardized payment amount, or both. Under section 1886(d)(8)(D) of the Act, changes in the geographic designation of hospitals must be budget neutral and payments to rural hospitals after reclassification cannot be lower than they would be absent reclassification.

<sup>4</sup> This column shows the combined effects of all the previous columns as well as the effects of updating the FY 1991 standardized payment amounts by the rates of increase as mandated by section 1886(b)(3)(B)(i)(VII) of the Act as added by sections 4002 (a) and (c) of Public Law 101-508. The estimates of operating outlier payments contain an adjustment to remove the effects of the elimination of the day limitation on inpatient hospital services under Public Law 101-360. In addition, this column captures interactive effects that we are not able to quantify.

### C. The Impact of the Final Changes to the DRG Classifications and Weights

In column 1, we present the combined effects of revising the assignment of diagnosis and procedure codes to different DRGs, the addition or elimination of diagnosis or procedure codes or DRGs, and the subsequent recalibration of the DRG weights incorporating these redefined DRGs. Section 1886(d)(4)(C)(i) of the Act requires us each year to perform these reclassifications and recalibration of the DRG weights in order to reflect changes in treatment patterns, technology, and any other factors that may change the relative use of hospital resources.

The redistributive impact of the DRG reclassification and recalibration changes across hospital groupings appears to be negligible. At most, the impact is either a reduction or an increase of 0.2 percent for a few hospital groupings while most hospitals appear to experience a 0.1 percent or lower effect. The impact of DRG reclassification and recalibration on aggregate payments is required by section 1886(d)(4)(C)(iii) of the Act to be budget neutral.

### D. The Impact of MGCRB Reclassification on Hospitals

As discussed in section I.A.1 of the preamble to this final rule, section 6003(h)(1) of Public Law 101-239 added section 1886(d)(10) to the Act (which was later amended by section 4002(h) of Public Law 101-508) to provide for the establishment of the MGCRB. The MGCRB considers applications by hospitals for geographic reclassification for purposes of receiving a different index value or standardized amount under the

prospective payment system. The first hospital reclassifications based on decisions of the MGCRB will take effect October 1, 1991. Under section 1886(d)(10) of the Act, the MGCRB may reclassify a hospital to an adjacent rural or urban area with which it has a close proximity for the purposes of using the other area's standardized amount, wage index value, or both. (A rural referral center or a sole community hospital may be redesignated to an area that is not an adjacent county.)

Both the final fiscal year 1992 standardized payment amounts and wage index values incorporate all reclassification decisions made by the MGCRB as of August 5, 1991. By that date, 930 hospital reclassifications were approved by the MGCRB. This number does not include any hospitals that have also been reclassified under provisions of section 1886(d)(8)(B) of the Act that deems certain rural counties adjacent to one or more urban areas as belonging to the urban area.

Over 75 percent of all reclassified hospitals are located in rural areas (nearly 730 hospitals). This represents almost 29 percent of all rural hospitals in our data base. Of the total number of rural hospitals that were reclassified, 75 percent were reclassified for the purpose of increasing their wage index. Eleven percent of rural reclassified hospitals were reclassified for purposes of their standardized amounts and about 14 percent were granted reclassification for purposes both their wage index and their standardized payment amount.

Among the 148 hospitals located in other urban areas that were reclassified, almost 45 percent were reclassified for the purpose of increasing their wage index value while another 45 percent

were reclassified for purposes of both their wage index value and standardized amount. The following table shows the percentage of reclassified hospitals by their actual geographic location.

DISTRIBUTION OF RECLASSIFIED HOSPITALS

Geographic location	Percent reclassified for both wage index value and standardized amount	Percent reclassified for standardized amount	Percent reclassified for wage index value
Large Urban	1.9	0.0	98.1
Other Urban	45.3	10.1	44.6
Rural	13.6	11.0	75.5

Viewed from the standpoint of the geographic reclassification categories, 71.8 percent of reclassified hospitals were reclassified for purposes of their wage index value, 10 percent were reclassified for purposes of their standardized amount, and 18 percent were reclassified for the purposes of both their wage index value and standardized payment amount.

Our analysis of the effects of hospital reclassifications on the average payment per case is similar to our analysis of the distribution of reclassified hospitals. That is, we analyzed the changes in payments per case for hospitals in large urban, other urban, and rural locations for each of the three reclassification categories. We analyzed these effects for both those hospitals that were reclassified and for

those that were not. There are two ways in which the reclassification of hospitals affect payment to nonreclassified hospitals. These are: (1) Through changes in the wage index, and (2) through the geographic reclassification budget neutrality adjustment required by section 1886(d)(8)(D) of the Act.

The effects of the MGCRB reclassification decisions are significant. The overall impact on reclassified hospitals is to increase their payment per case by an average 5.9 percent. Hospitals located in rural areas that were reclassified for purposes of both their wage index value and their standardized amount will receive the largest percentage increase in payments per case. They can expect an average increase of nearly 16 percent on the basis of reclassification alone. The 15 hospitals located in urban areas that were reclassified for purposes of their standardized amounts will receive an average decrease in payments per case of 0.2 percent. This outcome reflects the reclassification of other hospitals from

their labor market area. Thus, for the hospitals remaining in the labor market area after the wage index reclassifications, the decrease in the wage index value for the area was greater than the increase in their standardized amount after reclassification to a large urban area. The decrease also reflects the budget neutrality adjustment for urban hospitals.

Among hospitals that were not reclassified, the overall impact of hospital reclassification is an average decrease in payment per case of about 1 percent. Nonreclassified urban hospitals (comprising about 61 percent of nonreclassified hospitals) can expect a 1 percent decrease in payments per case. The 0.1 percent decrease for nonreclassified rural hospitals is attributable to rural referral centers whose payments decreased as a result of the urban budget neutrality adjustment factor.

As noted above, nonreclassified urban hospitals are affected by reclassification

through changes in their area wage index and the reclassification budget neutrality factor. We have examined the effects of wage index changes resulting from reclassification on urban area that have lost hospitals. As explained in section III.C. of the preamble, we received several comments pointing out the negative effects of reclassification on those hospitals that remain in urban areas from which some hospitals have been reclassified. The wage index value for 30 urban areas was reduced by 2 percent or more. Sixteen urban areas had their wage index value reduced by more than 5 percent, and one urban area had its wage index value drop by 20 percent. By establishing the Statewide rural wage index value as a floor, hospitals in the three most severely affected urban areas will receive some relief. The following table shows the effects of reclassification and the benefit of applying the Statewide wage index value:

MSA	Wage index value before reclassification	Wage index value after reclassification	Percent difference	Rural wage index value	Percent difference
Janesville-Beloit, WI.....	0.8482	0.6737	-20.6	0.8453	-0.3
Hamilton-Middletown, OH.....	0.9403	0.8229	-12.5	0.8461	-10.0
Canton, OH.....	0.8829	0.7878	-10.8	0.8461	-4.2

In the following table, we present the detailed impact of reclassification on hospitals located in large urban, other urban, and rural areas for each of the three geographic classification categories. The columns in this table

show: (a) The average percentage change in payments per case because of reclassification; (b) the average payments per case that were in effect since January 1, 1991; (c) payments that are effective October 1, 1991; and (d) the

total percentage change in the average payment per case resulting from all changes being implemented in this final rule.

EFFECTS ON PAYMENTS PER CASE OF GEOGRAPHIC RECLASSIFICATION OF HOSPITALS

	(a) Percentage change in hospital payments/case from geographic reclassification <sup>1</sup>	(b) Average FY 1991 payments per case	(c) Average FY 1992 payments per case	(d) Percentage change in payments per case from all changes <sup>2</sup>
All reclassified hospitals.....	5.9	4,372	4,758	8.8
Standardized amount only.....	2.7	4,536	4,792	5.6
Wage index only.....	5.2	4,263	4,614	8.2
Both.....	8.8	4,665	5,198	11.4
All reclassified urban hospitals.....	3.7	5,448	5,798	6.4
Standardized amount only.....	-0.2	6,121	6,297	2.9
Wage index only.....	2.9	5,547	5,858	5.6
Both.....	15.9	5,176	5,618	8.5
All reclassified rural hospitals.....	8.0	3,693	4,101	11.1
Standardized amount only.....	5.7	3,559	3,863	8.6
Wage index only.....	6.8	3,687	4,056	10.0
Both.....	15.8	3,794	4,483	18.2
All nonreclassified hospitals.....	-1.0	5,486	5,597	2.0
Urban nonreclassified hospitals.....	-1.0	5,826	5,935	1.9
Rural nonreclassified hospitals.....	-0.1	3,282	3,407	3.8

<sup>1</sup> This column shows the percentage change in payments resulting from decisions of the MGCRB and is comparable to values in column 2 of Table I.

<sup>2</sup> This column includes all changes being implemented in this final rule. See footnote 4 in Table I and the discussion in section V.E. of the impact analysis for an explanation of this column.

Column 2 of Table I details the effects of hospital reclassification on the other hospital groupings. Among rural hospitals, the larger hospitals (by bed size) have benefited more than the smaller hospitals. Hospitals with 200 or more beds are expected to receive an average increase of 5.6 percent compared to an average increase of 1.2 percent for rural hospitals with fewer than 50 beds. Urban hospitals, on the other hand, can expect roughly the same decreases across the different bed size groupings. The range of payment decreases is from 0.9 for hospitals with fewer than 100 beds to 0.6 for hospitals with 200 to 299 beds.

Among the rural hospitals receiving special payments, rural referral centers are expected to benefit the most while Medicare-dependent, small rural hospital can expect the smallest benefit from hospital reclassification. In general, disproportionate share hospitals will benefit from hospital reclassification with exception of urban disproportionate share hospitals with 160 or more beds. They can expect a decrease of 0.5 percent per case. Also, major teaching hospitals can expect an average decrease of 0.8 percent.

The geographic analysis by census division shows that hospitals in the rural South Atlantic census division receive the largest increase of any of the other rural census divisions. That increase is expected to be 5.0 percent. No urban census division is expected to receive increased payments as a result of hospital reclassification. Urban hospitals in the East South Central and Mountain census divisions are projected to experience the largest decrease in payments, which is of 1.0 percent.

From the foregoing analysis, it is evident that the provisions allowing the geographic reclassification of hospitals result in the redistribution of payments from hospitals in the generally higher paying urban areas to hospitals in the generally lower paying rural areas.

#### E. Combined Effects of All Changes

In column 3 of Table I, we present the expected effects of all final changes for FY 1992 compared to expected payments under policies in effect for FY 1991. In addition to the changes being implemented for DRG weights (presented in column 1) and the effects of reclassified hospitals (presented in column 2), we incorporated the update factors being implemented for large and other urban areas and rural areas, changes in the outlier thresholds, and revisions to the wage index. Although we have not explicitly analyzed these changes in this impact analysis, they are discussed in the

addendum to the final rule and in the preamble. As explained in our introductory remarks to the quantitative analysis section, some changes cannot be captured because we lack current data and the data we do possess may be incomplete. There may also be interactive effects between the various factors comprising the payment system that we are not able to isolate. For these reasons, the values in column 3 may not equal the sum of the previous columns plus the other variables we are able to identify.

In addition to the update factors to the standardized amounts being implemented (that is, 2.8 percent for urban hospitals and 3.8 percent for rural hospitals), we are adjusting the outlier thresholds to incorporate the prospective payment system for hospital inpatient capital-related costs. In section V.C. of the preamble to this final rule, we provide a detailed explanation of the effects of incorporating outlier payments for capital with outlier payments for the operating portion of the prospective payment system. That analysis shows that there will be very little change in the proportion of outlier cases meeting the day and cost outlier thresholds given our final changes to the outlier thresholds. Under the final thresholds that will include outlier payments for capital, 59.9 percent of the cases used to model these thresholds will be paid as day outliers (that is, paid a per diem amount based either on the number of days exceeding the DRG geometric mean length of stay plus the lesser of 32 days or 3.0 standard deviations), and 40.1 of the cases will be paid as high cost outliers (that is, paid once costs exceed the lesser of 2 times the DRG payment rate or \$44,000).

In addition to adjusting the outlier threshold to account for the inclusion of capital in the prospective payment system, we adjusted the outlier model to account for the effects of the Medicare Catastrophic Coverage Act of 1988 (Pub. L. 100-360) on outlier payments. The provisions of that statute were effective for discharges occurring on or after January 1, 1989. They were subsequently repealed by the Medicare Catastrophic Coverage Repeal Act of 1989 (Pub. L. 101-234) for discharges occurring on or after January 1, 1990. As a consequence of these two provisions, Medicare patients discharged from a hospital during the first quarter of FY 1990 were subject to the extended coverage provisions under Public Law 100-360, while patients discharged during the remainder of FY 1990 were subject to the more restrictive coverage provision that were in effect before January 1, 1989. As discussed in section II.A.4.d of

the addendum to this final rule, we developed an adjustment factor that we believe appropriately accounts for the extended coverage provisions that were in effect during the first 3 months of FY 1990.

At the national level, our simulation of the final FY 1992 prospective payment rates shows that the average payment to hospitals will increase 3.0 percent. Geographically, hospitals located in large urban areas can expect an increase of 1.9 percent with hospitals in the other urban areas receiving an increase of 2.6 percent. Overall, payments to urban hospitals are projected to increase 2.2 percent. Hospitals in rural areas can expect an increase in the average payment of 7.3 percent. Small, rural hospitals with fewer than 50 beds and with 50 to 99 beds can expect payment increases of 5.1 and 6.7 percent, respectively.

The analysis by census division shows that among urban hospitals, those in East North Central census division are projected to receive the largest increase in payments per case of 2.8 percent. It should be noted that, with the exception of the New England and Middle Atlantic census divisions, there is a difference of only 0.2 percentage points. The projected increases for the urban New England and Middle Atlantic census divisions are 2.5 and 1.8 percent, respectively. Among the rural areas, the West South Central census division will receive the largest increase of in payments per case of 8.3 percent. The smallest increase is projected for the rural hospitals in Puerto Rico. We project this increase to be 4.7 percent. With the exception of Puerto Rico, the smallest increase of 5.0 percent is for rural hospitals in the New England census division.

Consistent with our expectations, reclassified hospitals will gain the most under policies being implemented in this document. Rural reclassified hospitals are projected to receive an 11.1 percent payment increase. As a group, hospitals that were not reclassified can expect an increase of 2.0 percent.

Among hospitals grouped by special payment status, rural referral centers can expect an average of an 8.0 percent increase in payments. When looked at from the type of ownership, government-controlled facilities can expect to receive an increase of 3.5 percent compared to a 2.8 percent increase for voluntary hospitals.

As a general conclusion, the single factor that dominates the outcome of our simulation (other than the update factor) is the reclassification of hospitals. Because of the requirements to maintain

budget neutrality, our simulation shows a general redistribution of prospective payments from hospitals located in urban areas to hospitals located in rural areas. This reflects the reclassification of many rural hospitals to urban areas. But it should be noted that some urban area hospitals have also been reclassified from other urban to large urban areas for purposes of the

standardized amount or to another labor market area for purposes of the wage index value.

Table II presents the projected average payments per case under the changes for FY 1992 for urban and rural hospitals and for the different categories of hospitals shown in Table I, and it compares them with the average estimated per case payments that were

effective January 1, 1991. As such, this table presents, in terms of the average dollar amounts paid per discharge, the combined effects of the changes presented in Table I. That is, the percentage change in average payments from January 1, 1991 to October 1, 1991 equals the percentage changes shown in the last column of Table I.

TABLE II.—COMPARISON OF PAYMENT PER CASE

[Fiscal year 1992 compared to fiscal year 1991]

	Number of hospitals	Average FY 1991 payment per case	Average FY 1992 payment per case	Percentage change <sup>1</sup>
		(1)	(2)	(3)
<b>By Geographic Location</b>				
All Hospitals.....	5,469	5,293	5,449	3.0
Large Urban Areas (Populations Over 1 Million).....	1,503	6,322	6,443	1.9
Other Urban Areas (Populations of 1 Million or Fewer).....	1,431	5,223	5,361	2.6
Rural Areas.....	2,535	3,495	3,750	7.3
Urban Hospitals.....	2,934	5,795	5,924	2.2
0-99 Beds.....	688	4,203	4,284	1.9
100-199 Beds.....	854	4,933	5,038	2.1
200-299 Beds.....	628	5,429	5,551	2.2
300-499 Beds.....	549	5,950	6,085	2.3
Over 500 Beds.....	212	7,344	7,511	2.3
Rural Hospitals.....	2,535	3,495	3,750	7.3
0-49 Beds.....	1,239	2,993	3,145	5.1
50-99 Beds.....	778	3,246	3,463	6.7
100-149 Beds.....	272	3,553	3,839	8.0
150-200 Beds.....	119	3,664	3,966	8.2
200 or More Beds.....	127	4,149	4,497	8.4
Urban by Region:				
New England.....	175	6,228	6,385	2.5
Middle Atlantic.....	466	6,475	6,593	1.8
South Atlantic.....	424	5,431	5,545	2.1
East North Central.....	485	5,600	5,755	2.8
East South Central.....	169	4,984	5,092	2.2
West North Central.....	185	5,627	5,756	2.3
West South Central.....	359	5,219	5,331	2.1
Mountain.....	115	5,625	5,754	2.3
Pacific.....	507	6,553	6,699	2.2
Puerto Rico.....	49	2,235	2,287	2.3
Rural by Region:				
New England.....	59	4,302	4,517	5.0
Middle Atlantic.....	93	4,027	4,298	6.7
South Atlantic.....	343	3,627	3,922	8.1
East North Central.....	347	3,502	3,748	7.0
East South Central.....	301	3,102	3,335	7.5
West North Central.....	568	3,255	3,481	6.9
West South Central.....	411	3,164	3,427	8.3
Mountain.....	245	3,780	4,017	6.3
Pacific.....	162	4,270	4,571	7.0
Puerto Rico.....	6	1,479	1,548	4.7
<b>By Payment Classification</b>				
Large Urban Areas (Populations Over 1 Million).....	1,641	6,209	6,355	2.4
Other Urban Areas (Populations of 1 Million or Fewer).....	1,520	5,146	5,278	2.6
Rural Areas.....	2,308	3,453	3,680	6.6
Teaching Status:				
Non-Teaching.....	4,269	4,359	4,516	3.6
Resident/Bed Ratio Less Than 0.25.....	970	5,768	5,913	2.5
Resident/Bed Ratio 0.25 or Greater.....	230	9,151	9,351	2.2
Operating System Disproportionate Share Hospitals (DSH):				
Non-DSH.....	3,980	4,759	4,917	3.3
Urban DSH:				
100 Beds or More.....	1,128	6,471	6,622	2.3
Fewer than 100 Beds.....	81	3,948	4,113	4.2
Rural DSH:				
Sole Community Hospitals.....	64	3,417	3,623	6.1
Rural Referral Centers (RRC) (Includes Hospitals that are Both SCH and RRC).....	33	4,096	4,374	6.8
Other Rural DSH Hospitals:				
100 Beds or More.....	42	3,126	3,274	4.8
Fewer than 100 Beds.....	141	2,750	2,883	4.8
Urban Teaching and DSH:				
Both Teaching and DSH.....	597	7,258	7,412	2.1
Teaching and No DSH.....	523	5,861	6,006	2.5



TABLE II.—COMPARISON OF PAYMENT PER CASE—Continued

[Fiscal year 1992 compared to fiscal year 1991]

	Number of hospitals	Average FY 1991 payment per case	Average FY 1992 payment per case	Percentage change <sup>1</sup>
		(1)	(2)	(3)
No Teaching and DSH .....	612	5,073	5,221	2.9
No Teaching and No DSH .....	1,429	4,683	4,804	2.6
Other Special Status:				
Non Special Status Hospitals .....	1,080	3,009	3,207	6.6
RRC .....	185	3,969	4,285	8.0
SCH .....	503	3,581	3,773	5.4
Medicare-Dependent Hospitals (MDH) .....	515	3,154	3,310	4.9
SCH and RRC .....	45	4,338	4,609	6.3
SCH and MDH .....	1,063	3,570	3,763	5.4
Hospitals Reclassified by the Medicare Geographic Classification Review Board:				
All Reclassified Hospitals .....	930	4,372	4,758	8.8
All Nonreclassified Hospitals .....	4,487	5,486	5,597	2.0
All Reclassified Urban Hospitals .....	201	5,448	5,798	6.4
All Reclassified Rural Hospitals .....	729	3,693	4,101	11.1
Other Reclassified Hospitals (Section 1886(D)(8)(B)) .....	52	4,026	4,150	3.1
Type of Ownership:				
Voluntary .....	2,996	5,468	5,623	2.8
Proprietary .....	835	4,749	4,898	3.1
Government .....	1,507	4,672	5,042	3.5
Medicare Utilization as a Percent of Inpatient Days:				
0-25 .....	354	7,219	7,351	1.8
25-50 .....	2,886	5,533	5,697	3.0
50-65 .....	1,655	4,618	4,767	3.2
Over 65 .....	374	4,472	4,600	2.9

<sup>1</sup> Percentage changes shown in this column are taken from Table I, column 3. Because the dollar amounts shown in this table are rounded to the nearest dollar, percentage changes computed on the basis of these amounts will differ slightly from those displayed in the last column of Table I.

## Appendix B—Recommendation of Update Factors for Rates of Payment for Inpatient Hospital Services

### I. Background

Several provisions of the Social Security Act (the Act) apply to setting update factors for services furnished in FY 1992 by hospitals subject to the prospective payment system and those excluded from the prospective payment system. Section 1886(b)(3)(B)(i) of the Act, as modified by section 4002 (a) and (c) of Public Law 101-508, set the FY 1992 applicable percentage increases for prospective payment hospitals for FY 1992 as the market basket percentage increase minus 1.6 percentage points for hospitals located in urban areas and the market basket percentage increase minus 0.6 percentage points for hospitals located in rural areas. Section 1886(b)(3)(B)(ii) of the Act governs the target rate-of-increase limits for hospitals excluded from the prospective payment system and the hospital-specific rate applicable to sole community and Medicare-dependent small rural hospitals. In accordance with section 1886(d)(3)(A) of the Act, we are updating the average standardized amounts, the hospital-specific rates and the target rate-of-increase limits for hospitals excluded from the prospective payment system as provided for in section 1886(b)(3)(B) of the Act, as set forth above.

Sections 1886(e) (2)(A) and (8)(A) of the Act require that the Prospective Payment Assessment Commission (ProPAC) recommend to the Congress by March 1, 1991 an update factor that takes into account changes in the market basket index, hospital productivity, technological and scientific advances, the quality of health care provided in hospitals, and long-term cost effectiveness in the provision of inpatient hospital services.

Section 1886(e)(4) of the Act requires that the Secretary, taking into consideration the recommendations of ProPAC, recommend update factors for FY 1992 that take into account the amounts necessary for the efficient and effective delivery of medically appropriate and necessary care of high quality. As required by section 1886(e)(5) of the Act, we published the recommended FY 1992 update factors that are provided for under section 1886(e)(4) of the Act as appendix D of the proposed rule (56 FR 25323).

### II. Secretary's Final Recommendations for Updating the Prospective Payment System Standardized Amounts

We received two public comments concerning our proposed recommendation. After consideration of the arguments presented, we have decided that our final recommendation will be the same as our proposed recommendation. That is, we are

recommending that the standardized amounts be increased by an amount equal to the market basket percentage increase minus 1.6 percentage points for hospitals located in urban areas and the market basket percentage increase minus 0.6 percentage points for hospitals in rural areas. Based on the currently forecasted market basket increase of 4.4 percent, the recommended updates are 2.8 percent for hospitals in urban areas and 3.8 percent for hospitals in rural areas.

We are recommending that the hospital-specific rate applicable to sole community hospitals and Medicare-dependent, small rural hospitals be updated by an amount equal to the market basket percentage increase minus 1.6 percentage points or 2.8 percent. With the exception of the higher update for the rural standardized amount, we believe that the considerations used to develop our update recommendation for the standardized amounts are also applicable to the hospital-specific rates for sole community and Medicare-dependent, small rural hospitals. Our recommendation for a higher update to the rural standardized amount is intended to reduce the differential between the standardized amounts for other urban and rural hospitals, which is not an applicable consideration for hospital-specific rates.

In recommending these increases, we have followed section 1886(e)(4) of the Act which indicates we should take into account the amounts necessary for the efficient and effective delivery of medically appropriate and necessary care of high quality. In addition, as required by section 1886(e)(4) of the Act, we have taken into consideration the recommendations of ProPAC.

We are recommending an update that is consistent with the Administration's budget proposal that all hospitals receive an update in their payments for FY 1992 based on the current market basket forecast with the adjustments set forth in Public Law 101-508. The latest forecast shows that the FY 1992 market basket at 4.4 percent.

Our recommendation is supported by our analyses, which measure changes in hospital productivity, scientific and technological advances, practice pattern changes, and changes in case mix. We believe our analyses support a recommendation that the standardized amounts applicable to urban hospitals and the hospital-specific rates applicable to sole community hospitals and Medicare-dependent small rural hospitals be updated in FY 1992 by an amount equal to the market basket percentage increase minus 1.6 percentage points. However, we believe a differential update for the standardized amount applicable to rural hospitals is appropriate in order to phase out the differential between the rural and other urban standardized amounts. Therefore, we are recommending that the rural standardized amount be updated by an additional 1.0 percentage point, for a total update of 3.8 percent (that is, market basket minus 0.6 percentage points).

We note that we are in the process of refining our analytical framework for the update recommendation. Our intent is to develop an expanded conceptual framework and appropriate measures for each component that would be used to support our update recommendations for FY 1993 and thereafter. Although we solicited public comments on the appropriate factors and measures that we should consider, the only comment we received was from ProPAC.

*Comment:* We received a comment from ProPAC on the analytical framework used to support our update recommendation. While the Commission generally agreed with our analysis, they took issue with our negative adjustment for changes in practice patterns on the basis that earlier recommended adjustments for site of care substitution were sufficient. ProPAC also recommended that our framework

should include an adjustment for within-DRG changes in case complexity.

*Response:* Our observation of cumulative changes in average length of stay since the beginning of the prospective payment system is the proxy we use to estimate change in practice patterns. We have recommended and will continue to recommend only gradual adjustments for this factor over time. We have yet to adjust fully for the cumulative decline in average length of stay since the inception of the prospective payment system. As we indicated in our proposed recommendation, there is still a residual—1.85 days that has not been accounted for in earlier updates.

We do not agree that a separate item in the analytic framework for within-DRG case complexity is necessary. We believe that changes related to within-DRG case complexity are adequately reflected in scientific and technological advances and in the practice pattern components of the framework. However, we will evaluate this issue further in conjunction with the overall refinement of our analytical framework for the update recommendation.

*Comment:* One commenter stated that our recommended update for new science and technology of 0.5 percent is inadequate and is inconsistent with ProPAC's findings with respect to the costs of new technologies such as low osmolar and nonionic contrast media, which ProPAC cites as two of the most significant cost-increasing technologies in FY 1992. The commenter stated that HCFA should provide an add-on to the DRG payment for nonionic contrast material such as the one provided for physician payment in the proposed rule concerning a fee schedule for physicians' services, published in the *Federal Register* on June 5, 1991 (56 FR 25792).

*Response:* While we recognize that low osmolar and nonionic contrast media are more expensive than other radiological agents, we believe that the use of these agents in the inpatient setting should also have the effect of reducing hospital costs by preventing complications from occurring during the patients' stay. Therefore, the use of this technology for high-risk patients has considerable potential for cost savings. Moreover, while the use of this new technology may be appropriate for certain high-risk patients, its routine use for all patients may not serve to enhance patients' health status. To the extent new technologies are not quality enhancing, an adjustment would not be appropriate. In addition, although the direct cost of these agents can be readily identified, there is no empirical

measure for the incremental operating costs associated with the appropriate diffusion of these and other new technologies. Therefore, until a usable measure for the incremental operating costs associated with the implementation of new sciences and technologies is developed, we believe that this adjustment should continue to be set at a conservative, stable level.

*Comment:* We received a comment from ProPAC concerning our recommended update to the hospital-specific rates applicable to sole community hospitals and Medicare-dependent, small rural hospitals. The Commission specifically questioned why we did not recommend the same update to these hospital-specific rates as the rural update to the Federal rates, that is, market basket minus 0.6 percentage points.

*Response:* Our analytical framework supports an update for all hospitals of market basket minus 1.6 percentage points. The differential update recommended for the standardized amounts applicable to rural hospitals is necessary to reflect the phasing out of the differential between the rural and other urban standardized amounts. We do not believe the additional 1.0 percent update should apply to the hospital-specific rate. Sole community hospitals and Medicare-dependent, small rural hospitals are assured payment at the greater of the Federal rate or the hospital-specific rate. Thus, hospitals that are paid the hospital-specific rate already benefit by receiving a higher rate than other rural hospitals. We do not believe that these high cost rural hospitals that are already receiving higher payments should also benefit from a payment change intended for rural hospitals paid at a lower Federal rate. Rather, based on the update supported by our analytical framework, we are recommending that the hospital-specific rate applicable to sole community hospitals and Medicare-dependent, small rural hospitals be updated by the market basket minus 1.6 percentage points or 2.8 percent.

### *III. Secretary's Final Recommendation for Updating the Rate-of-Increase Limits for Excluded Hospitals and Units*

We received several items of correspondence during the public comment period concerning our proposed recommendation for updating the rate-of-increase limits. After consideration of all the arguments presented, we have decided that our final recommendation will be the same as our proposed recommendation. We recommend an average update for

excluded hospitals that will result in total payments comparable to those that would result from an update equal to the market basket rate of increase. The market basket for excluded hospitals is currently estimated at 4.7 percent. However, we recommend that excluded hospitals and units whose base year began during the period FY 1983 through FY 1987 receive a higher update than hospitals whose base year began in FY 1982 or after FY 1987.

We recommend that excluded hospitals and units with an FY 1982 base year or a base year that began after FY 1987 receive an update equal to the market basket percentage increase minus 0.9 percent. The -0.9 percentage point adjustment is to account for the forecast error in the FY 1990 market basket rate of increase. Generally, we believe that increased costs for quality-enhancing new technologies should be offset by productivity gains and that explicit adjustments in the rate-of-increase limit for productivity and new technology are inappropriate.

In addition, we recommend a higher update for hospitals and units that were excluded in the early years of the prospective payment system. We believe this is appropriate because the updates applied to excluded hospitals in fiscal years 1986, 1987, and 1988 were considerably less than the market basket rate of increase and were based on some considerations appropriate only to hospitals subject to the prospective payment system.

We believe any increase in aggregate payments to excluded hospitals and units is premature until these issues are more fully evaluated. In this regard, we note that the Secretary is required by section 4005(b) of Public Law 101-508 to report to the Congress on recommendations for potential modifications to the rate-of-increase limits system as well as the possible replacement of that system with a prospective payment system. At the same time, we believe the analysis of the cumulative difference between the market basket rate-of-increases and the update factors supports a recommendation for differential

updates. We have used the results of the analysis to determine differential update factors that will result in program outlays that will approximate the outlays that would result from a 4.7 percent update. Our recommended update factor is 3.8 percent for all excluded hospitals and units plus an additional update for hospitals and units that became subject to the ceiling during the period FY 1984 through FY 1988. The recommended updates are as follows:

Base year began in FY	General update	HCFA recom- mended additional adjustment	HCFA recom- mended FY 1992 update
1982 .....	3.8		3.8
1983 .....	3.8	1.4	5.2
1984 .....	3.8	2.8	6.6
1985 .....	3.8	4.6	8.4
1986 .....	3.8	2.9	6.7
1987 .....	3.8	1.4	5.2
1988 and later..	3.8		3.8

*Comment:* As noted above, we received a number of comments concerning our recommended update for hospitals and units excluded from the prospective payment system. While all commenters supported our recommendation for a differential update for excluded hospitals and units, most objected to limiting aggregate payments to the market basket rate of increase. One commenter suggested that our reasons for limiting the amount of the adjustments were purely budget-driven and suggested that we eliminate incentive payments in order to fund the full update. ProPAC supported our recommendation and agreed that additional study is necessary before granting an across-the-board increase. ProPAC also suggested that we factor in the lower exceptions adjustments that would result from providing the full allowance.

*Response:* We believe the analysis of the cumulative difference between the market basket rate-of-increases and the update factors supports a recommendation for differential updates. However, we believe any increase in aggregate payments to excluded hospitals and units is

premature as it is not clear that such an expenditure is warranted or that any increase in payments is more appropriately distributed to excluded hospitals through a differential update factor rather than through a more targeted approach. While some hospitals have been adversely affected by the rate-of-increase limits, others have received substantial incentive payments. We continue to believe that further analysis is needed to understand why some hospitals have fared well and others have not before we can determine whether an across-the-board increase is more appropriate than one targeted toward groups of hospitals whose costs are systematically above the rate-of-increase limit. In addition, we believe that the lower updates are only part of the reason why hospitals with early base years are more financially vulnerable than hospitals that more recently became subject to the rate-of-increase limits. Another consideration is that these hospitals have been subject to the limits for a longer period of time and, in the case of those hospitals with an FY 1982 or FY 1983 base year, have a target amount that was established before the prospective payment system was implemented.

We note that, in estimating the additional update that would maintain aggregate payment increases at the market basket level, we did consider the savings that would result from reduced exceptions adjustments as well as the additional payments that would be made to excluded hospitals for 50 percent of their costs that are up to 10 percent above their target amount under section 4005(a) of Public Law 101-508. We do not agree with the comment that we should eliminate incentive payments in order to fund the full adjustment. It would be inappropriate to penalize efficient hospitals that have maintained their costs below the rate-of-increase limits in order to pay hospitals whose costs may have exceeded the limit because of inefficiency.

[FR Doc. 91-20778 Filed 8-29-91; 8:45 am]  
BILLING CODE 4120-03-M



**42 CFR Parts 412 and 413**

---

**Friday  
August 30, 1991**

---

**Part V**

**Department of  
Health and Human  
Services**

---

**Health Care Financing Administration**

---

**42 CFR Parts 412 and 413**

**Prospective Payment System for  
Inpatient Hospital Capital-Related Costs;  
Final Rule**

# DEPARTMENT OF HEALTH AND HUMAN SERVICES

## 42 CFR Parts 412 and 413

(BPD-681-F)

RIN 0938-AE59

### Prospective Payment System for Inpatient Hospital Capital-Related Costs

**AGENCY:** Health Care Financing Administration (HCFA), HHS.

**ACTION:** Final rule.

**SUMMARY:** We are revising the Medicare payment methodology for hospital inpatient capital-related costs for hospitals paid under the prospective payment system. As required by section 1886(g) of the Social Security Act, we are replacing the reasonable cost-based payment methodology with a prospective payment methodology for hospital inpatient capital-related costs. Under this prospective payment methodology, a predetermined amount per discharge will be made for Medicare inpatient capital-related costs.

**DATES:** *Effective Date:* October 1, 1991.

*Compliance Date:* The provisions of this final rule apply to cost reporting periods beginning on or after October 1, 1991.

**ADDRESSES:** To order copies of the Federal Register containing this document, send your request to: Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402-9325. Specify the date of the issue requested and enclose a check payable to the superintendent of Documents, or enclose your Visa or MasterCard number and expiration date. Credit card orders can also be placed by calling the order desk at (202) 783-3238 or by faxing to (202) 275-6802. The cost for each copy (in paper or microfiche form) is \$1.50. When requesting copies of this Federal Register document please refer to stock number 069-001-00034-3. In addition, you may view and photocopy the Federal Register document at most libraries designated as U.S. Government Depository Libraries and at many other public and academic libraries throughout the country that receive the Federal Register. Ask the order desk operator for the location of the Government Depository Library nearest to you.

**FOR FURTHER INFORMATION CONTACT:** Barbara Wynn (301) 966-4529.

**SUPPLEMENTARY INFORMATION:**

## I. Introduction

In this final rule, we are changing the regulations that govern the way in which inpatient capital-related costs for hospitals paid under the prospective payment system are treated for Medicare payment purposes. Provisions in this final rule are effective for hospital cost reporting periods beginning on or after October 1, 1991. Capital-related costs under Medicare include depreciation, interest, taxes, insurance, and similar expenses (defined further in 42 CFR 413.130) for plant and fixed equipment, and for movable equipment. Capital costs do not include a return on equity capital for proprietary hospitals.

Previously, hospital inpatient operating costs were the only costs covered under the prospective payment system (part 412). Payment for capital-related costs has been made on a reasonable cost basis under part 413, subpart G because, under sections 1886(a)(4) and (d)(1)(A) of the Social Security Act (the Act), those costs have been specifically excluded from the definition of inpatient operating costs. However, section 1886(g)(1) of the Act now requires that capital-related costs be paid under a prospective payment system effective with cost reporting periods beginning on or after October 1, 1991 for hospitals paid under the prospective payment system. In this final rule, we are adding a new subpart M to part 412 to provide for a prospective payment system for hospital inpatient capital-related costs. In addition, certain conforming changes and technical changes to other subparts in part 412 are being made in this final rule. Hospitals and hospital distinct-part units that are excluded from the prospective payment system pursuant to part 412, subpart B will continue to be paid for capital-related costs on a reasonable cost basis under part 413, subpart G. Also, rural primary care hospitals are excluded from the capital prospective payment system final rule under sections 6003 (g)(3)(B)(iii)(II) and (g)(3)(D)(x)(I) of the Omnibus Reconciliation Act of 1989 (Pub. L. 101-239).

## II. Background

Under section 1886(d) of the Act, the Medicare program pays for the operating costs attributable to hospital inpatient services under a prospective payment system in which payment is made at a predetermined, specific rate for each discharge. Operating costs are defined in section 1886(a)(4) of the Act. As originally enacted, section 1886(a)(4) of the Act excluded capital costs from the definition of inpatient operating

costs for cost reporting periods beginning before October 1, 1986. On June 3, 1986, we published a notice of proposed rulemaking to amend the regulations to incorporate capital-related costs into the Medicare prospective payment system effective with cost reporting periods beginning in Federal fiscal year (FY) 1987, which began on October 1, 1986 (51 FR 19970). However, on July 2, 1986, section 206 of the Urgent Supplemental Appropriations Act of 1986 (Pub. L. 99-349) amended section 1886(a)(4) of the Act to postpone for an additional year the inclusion of capital-related costs into the definition of operating costs (that is, until cost reporting periods beginning on or after October 1, 1987). Subsequently, section 9303(c) of the Omnibus Budget Reconciliation Act of 1986 (Pub. L. 99-509) further revised section 1886(a)(4) of the Act by providing that capital-related costs be excluded from inpatient operating costs for cost reporting periods beginning prior to October 1, 1987 or later at the Secretary's discretion.

On May 19, 1987, we published a proposed rule in the Federal Register (52 FR 33168) to amend the Medicare regulations to incorporate capital-related costs into the prospective payment system effective with hospital cost reporting periods beginning on or after October 1, 1987.

On September 1, 1987, we published a final rule in the Federal Register (52 FR 33168) to amend the Medicare regulations to incorporate capital-related costs into the prospective payment system effective with hospital cost reporting periods beginning on or after October 1, 1987.

On December 22, 1987, section 4006 of the Omnibus Budget Reconciliation Act of 1987 (Pub. L. 100-203) voided the September 1, 1987 final rule on payment for capital-related costs (52 FR 33168). Section 4006(b) of Public Law 100-203 revised section 1886(g)(1) of the Act to require the Secretary to establish a prospective payment system for the capital-related costs of prospective payment system hospitals for cost reporting periods beginning in FY 1992.

As amended by section 4006(b)(1) of Public Law 100-203, section 1886(g)(1)(B) of the Act provides for capital prospective payments on a per discharge basis appropriately weighted for the classification of the discharge. It also gives the Secretary discretion to provide for adjustments to capital prospective payments for relative cost variations in construction by building type or area, for appropriate exceptions (including those to reflect capital

obligations), and for adjustments to reflect hospital occupancy rate. Beyond the specific guidance provided by revised section 1886(g)(1) of the Act and supporting Congressional reports, the Secretary has substantial latitude in implementing the capital prospective payment system.

As amended by section 4008(a) of Public Law 100-203, section 1886(g)(3)(A) of the Act provided for a 12 percent reduction in capital payments for portions of cost reporting periods or discharges, as appropriate, occurring on or after January 1, 1988 and a 15 percent reduction during FY 1989. This 15 percent reduction was effectively extended through FY 1990 by section 6002 of the Omnibus Budget Reconciliation Act of 1989 (Pub. L. 101-239).

On November 5, 1990, the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101-508) was enacted. Section 4001(a) of that law amended section 1886(g)(3)(A)(v) of the Act to further extend the 15 percent reduction in capital-related costs of inpatient hospital services through FY 1991.

In addition, section 4001(b) of Public Law 101-508 amended section 1886(g)(1)(A) of the Act by specifying that during FY 1992 through FY 1995 aggregate payments under section 1886(d) and section 1886(g)(1)(A) should be reduced in a manner that results in savings equivalent to 10 percent of the amount of payments attributable to capital-related costs that would otherwise have been made on a reasonable cost basis during each of those fiscal years. The Committee Report accompanying the legislation noted that the provision provides the Secretary with the flexibility to adjust either or both the operating or capital payments, so long as the net reduction does not exceed 10 percent of capital payments on a reasonable cost basis, and indicated that the Secretary may estimate the 10 percent reduction based on the best available data (H.R. Rep. No. 964, 101st Cong., 2nd Sess. p. 691 (1990)).

### III. Summary of the Proposed Rule

#### A. Major Provisions of the Proposed Rule

On February 28, 1991, we published a proposed rule in the *Federal Register* (56 FR 8476) to change the regulations that govern the way in which hospital inpatient capital-related costs are treated for Medicare payment purposes for hospitals subject to the prospective payment system, effective with cost reporting periods beginning on or after October 1, 1991. The February 28, 1991 proposed rule provided for a 60 day

public comment period. On April 25, 1991, we published a notice to extend the public comment period to May 14, 1991 (56 FR 19071). The major provisions of the proposed rule follow:

We proposed to establish a standard Federal rate for hospital inpatient capital-related costs on a per discharge basis based on the FY 1988 Medicare national average cost per discharge updated to FY 1992 by the estimated increase in Medicare inpatient capital cost per discharge for hospitals and hospital units subject to the prospective payment system.

We proposed to calculate a rate specific to hospitals located in Puerto Rico. Puerto Rico hospitals would be paid based on 75 percent of the Puerto Rico rate and 25 percent of the national rate.

We proposed to make the following payment adjustments to the Federal rate:

- We proposed to adjust for case mix using the DRG relative weights.
- We proposed to adjust for geographic location using an adjustment factor that is derived from the hospital wage index. The adjustment, to be applied consistent with the regression results, would increase payments approximately 4.6 percent for each 10 percent increase in the value of the wage index. In addition, we proposed to make a 1.6 percent higher payment to hospitals located in large urban areas (urban areas with more than one million population or 970,000 in New England).
- We proposed to provide for a disproportionate share payment adjustment for urban hospitals with 100 or more beds. The adjustment would increase payments approximately 4.2 percent for each 10 percent increase in a hospital's disproportionate share percentage.

In lieu of standardizing each hospital's capital cost per discharge for the payment adjustments and computing a national standardized amount for capital, we proposed to determine by formula a standard Federal payment rate that, after taking into account the payment adjustments, would result in aggregate payments equal to aggregate FY 1992 Medicare inpatient capital costs (which would be further adjusted for budget neutrality). We proposed to provide additional payments for extraordinarily costly or long length of stay cases (outlier cases). We proposed to amend the existing payment policy for outlier cases (42 CFR part 412, subpart F) to include Federal capital payments for these cases, and we proposed to reduce the Federal capital

payment by the estimated capital outlier payments. We proposed that the cost outlier threshold (\$ 412.84) would be based on inpatient operating costs and capital costs, and that we would pay cost outliers only if both inpatient operating and capital costs for a case are above the appropriate cost outlier threshold.

We proposed to determine a hospital-specific rate based on the hospital's Medicare allowable inpatient capital costs per discharge for its latest 12-month cost reporting period ending in FY 1990 (that is, cost reporting periods ending after September 30, 1989 and on or before September 30, 1990). We proposed to adjust the hospital-specific rate for case mix and would update it to FY 1992 based on the estimated national average increase in Medicare capital-related costs per discharge adjusted for case mix change.

We proposed to define old capital costs as allowable Medicare inpatient interest and depreciation expenses for capital assets that are reported on the Medicare cost report for the hospital's latest cost reporting period ending in FY 1990. We proposed that all other types of capital-related costs in that hospital cost reporting period be excluded from the definition of old capital.

We proposed to define new capital costs as allowable Medicare depreciation and interest for capital assets that were first reported as being used for patient care in a cost reporting period ending after September 30, 1990 and allowable Medicare inpatient costs for other capital-related expenses including leases, rentals (including license and royalty fees for the use of depreciable assets), insurance expense on depreciable assets, related organization capital-related costs for assets that are not maintained on the hospital's premises and taxes on land or depreciable assets used for patient care.

We proposed to establish a 10-year transition period (that is, cost reporting periods beginning on or after October 1, 1991 and before October 1, 2001.) A hospital would be paid under one of two different payment methodologies during this period. Generally, hospitals with a hospital-specific rate below the Federal rate would be paid on a fully prospective payment methodology with an exception as discussed below. Hospitals with a hospital-specific rate that is above the Federal rate would be paid based on the hold-harmless payment methodology or 100 percent of the Federal rate based on whichever results in higher payment. A hospital would be paid under one methodology throughout the entire transition. After



the transition period, all hospitals would be paid the Federal rate.

Under the fully prospective payment methodology, we proposed that a hospital-specific rate below the Federal rate would receive capital payments per discharge based on a blend of its hospital-specific rate and the Federal rate. The FY 1992 payment would be based on a 90 percent hospital-specific rate and 10 percent Federal rate blend. The Federal portion of the payment would increase by 10 percentage points per year. After 9 years, the hospital would be paid 100 percent of the Federal rate. We proposed a special rule permitting hospitals whose hospital-specific rate is less than the Federal rate to be paid under the hold-harmless methodology if their FY 1992 allowable capital costs per discharge are higher than the Federal rate.

Under the hold-harmless payment methodology, we proposed that a hospital would receive capital payments per discharge based on the higher of:

- 90 percent of reasonable costs for old capital costs (subject to a budget neutrality adjustment discussed below) plus a payment for new capital costs which is a proportion of the Federal rate. We proposed to base the proportion of the Federal rate paid for new capital on the ratio of the hospital's Medicare inpatient costs for new capital to total Medicare inpatient capital costs and that the proportion could not exceed the national ratio of Medicare inpatient new capital costs to total Medicare inpatient capital costs; or
- 100 percent of the Federal rate. Once a hospital under the hold-harmless payment methodology was paid based on 100 percent of the Federal rate, it would continue to be paid on that basis throughout the remainder of the transition and could not receive a reasonable cost payment for old capital in subsequent cost reporting periods.

After 10 years, the hold harmless payment would end and all hospitals would be paid 100 percent of the Federal rate.

To determine the amount of payment under the hold-harmless payment methodology, we would require that throughout the transition hospitals separately identify on their Medicare cost reports depreciation and interest expenses on old capital. Reasonable cost principles for capital-related costs would continue to apply to capital expenses paid under the hold-harmless provision. We proposed to provide for an exceptions process to make additional payments to hospitals that

are financially disadvantaged during the transition period. For FY 1992, we would provide that a hospital would be eligible for an exceptions payment if its capital costs exceed 150 percent of the capital payments it would have received in the absence of the exceptions process. A hospital would be paid 75 percent of its costs in excess of the 150 percent threshold. This exceptions policy would be applicable to hospitals paid under either the fully prospective or the hold-harmless payment methodology.

Recognizing the special need to maintain access to care in rural areas and for low income patients, we proposed to provide special protection to urban hospitals with more than 100 beds that have a disproportionate share percentage of 30 percent or more and for rural sole community hospitals that are financially vulnerable. We proposed that the amount of the additional payment would be determined according to a formula that depended on the relative size of the new capital project. The amount of the exceptions payment under this provision could not result in total Medicare payments for inpatient hospital services that exceed the hospital's total Medicare inpatient costs during the cost reporting period.

We proposed to reduce the Federal rate and the hospital-specific rate by up to 10 percent each year to make additional payments for exceptions. The actual exceptions adjustment factor would result in an aggregate reduction in payments based on the Federal rate and the hospital-specific rate equal to the estimated amount of the total exceptions payments. We estimated that the level of exceptions payments would require less than a 10 percent reduction in the first two years of the transition. After the first two years, we would raise the eligibility criteria or the payment levels for exceptions as necessary to limit the exceptions payments to 10 percent of total prospective payments for inpatient capital costs. If a newly participating hospital does not have a 12-month cost reporting period ending on or before September 30, 1990, we proposed to use the first 12-month cost reporting period (or combination of cost reporting periods totalling at least 12 months) as the hospital's base period for purposes of determining its hospital-specific rate. The hospital would be paid under the fully prospective payment methodology since by definition it has no old capital.

Through FY 1995, we proposed to provide for an update in the Federal rate and the hospital-specific rate based on actual increases in Medicare capital-related costs per case that occurred two years previous to the Federal fiscal year

in question (the most recent year for which we would have data), adjusted for changes in case mix. Beginning in FY 1996, we proposed to determine the update through an analytical framework that would take into consideration increases in the capital market basket and appropriate changes in capital requirements resulting from new technology and other factors.

In FY 1992 through FY 1995, we proposed to adjust payments in accordance with section 1886(g)(1) of the Act as amended by section 4001(b) of Public Law 101-508 so that aggregate payments for capital each year are equal to 90 percent of what would have been payable for capital-related costs on a reasonable cost basis. We proposed that if a positive adjustment in capital payments were required, we would apply a percentage increase to the Federal rate and the hospital-specific rate. If a negative adjustment were required, we would apply a percentage reduction to the hold-harmless payments in addition to the Federal rate and the hospital-specific rate.

#### *B. Notices Published after the February 28, 1991 Proposed Rule*

On April 15, 1991, we published a notice (56 FR 15060) to announce to interested individuals and organizations the availability of an optional computation sheet with instructions to enable a prospective payment hospital to determine which of the two proposed payment methodologies (fully prospective payment and hold-harmless) would apply during the 10-year transition period and to estimate its impact during the hospital's first cost reporting period beginning in Federal fiscal year 1992. In addition, it announced the availability of a computer program that would enable a hospital to estimate the overall impact of the proposed capital prospective payment system during the 10-year transition period.

On April 25, 1991, we published a notice (56 FR 19071) to extend the public comment period for the February 28, 1991 proposed capital payment rule from 5 p.m. eastern daylight time on April 29, 1991 to 5 p.m. eastern daylight time on May 14, 1991.

On April 26, 1991, we published a notice (56 FR 19335) to correct errors made in the February 28, 1991 proposed capital payment rule (56 FR 8476).

On June 3, 1991, we published a proposed rule to establish our FY 1992 payment policies and rates for the prospective payment system for operating costs (56 FR 25178). The comment period on the proposed rule

closed August 2, 1991. The proposed rule included a proposal to update our regulations at § 413.134 concerning funded depreciation. In this document, we are responding to comments received on funded depreciation.

#### *C. Number and Types of Public Comments*

A total of 682 items of correspondence containing comments on the February 28, 1991 proposed capital rule were received timely. Of that total, 458 were received from hospitals, 79 from hospital systems, 68 from associations, 3 from law firms, and 3 from accounting firms. The remaining public comments were received from various other types of organizations and individuals. The main areas of concern addressed by commenters were the following:

Many commenters objected to implementing the proposed methodology for a capital prospective payment system, citing inadequate payments and exceptions policies, complexity, unnecessary redistribution of payments, data problems and other issues.

A significant number of commenters argued that at least home office costs and lease payments (particularly for long term leases that are capitalized under IRS rules) should be included in the definition of old capital. Some argued that rentals, taxes, insurance, and all other costs related to old capital assets should be protected under the hold harmless provision.

The proposed rule recognized as old capital those assets that were put in use by the close of the hospital's cost reporting period ending on or before September 30, 1990. Many commenters urged that the old capital definition also include capital that was obligated as of a later date certain. The most frequently suggested date was February 28, 1991. A second issue raised was whether the definition of obligated capital should be narrowly confined to legal commitments or whether substantial financial commitments should also be recognized. In this regard, some commenters tied the definition of obligated capital to projects that have received Certificate of Need (CON) approval while others recommended that an allowance should be made for delays imposed by the CON process.

A significant number of commenters wrote regarding the base year audits that will precede the final determination of the hospital-specific rate (HSR) and the methodology used to calculate the hospital-specific rate. Specific concerns included accounting for transfer cases and partial year or non-recurring costs.

A number of commenters suggested that exceptions should be replaced by a

permanent payment floor and that the total Medicare margin should not affect the amount of the special exceptions payment for sole community hospitals (SCHs) and high Medicare disproportionate share hospitals. A number of commenters urged that SCHs be exempted from the capital prospective payment system. A number of commenters disagreed with the level of the payment adjustments to the Federal rate. Many commenters were uncomfortable with the regression methodology used to establish the adjustments, and with the sample of hospitals used in the regression analysis.

Many commenters disagreed with the use of the wage index in determining the geographic adjustment factor because they believe that hospital wages are not related to construction costs. Many commenters suggested that there should be more generous exceptions for hospitals that serve a large portion of Medicare patients.

#### *D. Summary of Final Rule*

In response to the public comments we received on the February 28, 1991 proposed capital rule, we are making the following modifications. These modifications are more fully discussed in section IV of the preamble below.

We are establishing the standard Federal rate and the Puerto Rico rate for fiscal year (FY) 1992 using the FY 1989 Medicare inpatient capital cost per discharge (instead of the FY 1988 cost per discharge) updated to FY 1992 by the estimated increase in Medicare capital costs per discharge. We have also revised our estimate of the rate of increase in Medicare inpatient capital costs per discharge.

Instead of basing the Federal payment adjustments on regression analysis using capital costs per case as the dependent variable, we are basing the adjustments on total operating and capital costs per case regression analysis, and using pooled capital and operating cost data from FY 1988 and FY 1989 cost reports. As a result, the payment adjustments are changed in magnitude.

—The geographic adjustment factor will increase capital payments based on the Federal rate approximately 6.8 percent for each 10 percent increase in the wage index value applicable to the hospital.

—The large urban add-on will increase payments to hospitals in large urban areas by 3.0 percent.

—The disproportionate share payment adjustment factor for urban hospitals with 100 or more beds will increase

payments based on the Federal rate of approximately 2.0 percentage points for each .10 increase in a hospital's disproportionate share patient ratio.

We are establishing an adjustment to the Federal rate for the indirect costs of medical education based on the ratio of residents to average daily hospital inpatient census. The adjustment factor will increase approximately 2.8 percentage points for each .10 increase in a hospital's ratio of residents to average daily hospital inpatient census.

We are establishing a cost-of-living adjustment factor for hospitals located in Alaska and Hawaii, based on the cost-of-living adjustment factor used in the prospective payment system for operating costs and the average nonlabor share indicated by the regression results.

We are increasing the adjustment for hospitals that receive a more generous DSH adjustment under the prospective payment system for operating costs because of the amount of State and local non-Medicaid revenue they use to provide charity care. The disproportionate share adjustment factor for these hospitals will equal 14.16 percent.

We are amending the existing payment policy for outlier cases to include Federal capital payments for these cases, and will reduce the Federal capital payment by the estimated capital outlier payments. The cost outlier threshold will be based on combined inpatient operating and capital costs, and we will pay cost outliers only if both inpatient operating and capital costs for a case are above the appropriate cost outlier threshold. We will determine the hospital-specific rate based on the hospital's Medicare allowable inpatient capital costs per discharge for its latest 12-month cost reporting period ending on or before December 31, 1990, instead of September 30, 1990. We will also adjust for transfers in the hospital's base period discharge count and case mix index in order not to understate the hospital-specific rate.

We are extending the cut-off date for old capital and changing it to a date certain, that is, December 31, 1990, instead of the latest reporting period ending on or before September 30, 1990. An asset that has been put in use for patient care on or before December 31, 1990 is considered old capital.

We are also recognizing as old capital those costs for capital-related items and services that are legally obligated by an enforceable contract entered into on or before December 31, 1990 and are put in patient use before October 1, 1994.

Under limited circumstances, involving project completion delays due to extraordinary circumstances (for example, a construction strike), the cut-off date for recognizing legally obligated capital may be extended.

Capital-related costs for assets that were not legally obligated as of December 31, 1990 may still be recognized as obligated capital if the hospital filed an initial application for pre-approval of the capital project by a planning agency, had not received approval or disapproval by September 30, 1990, the hospital expended the lesser of \$750,000 or 10 percent of the estimated project costs by December 31, 1990, and the project is completed before the earlier of four years from the date the project is approved by the planning agency or October 1, 1996.

Capital-related costs for major capital projects that were not legally obligated as of December 31, 1990 but for which the hospital began actual construction on or before March 31, 1991 may also be recognized as obligated capital if the hospital had received any required pre-approval from a planning agency and formal authorization for the project by its Board of Directors as of December 31, 1990, the estimated cost of the project exceeds 5 percent of the hospital's total patient revenues during its base period and the hospital had incurred the lesser of \$750,000 or 10 percent of the project cost as of December 31, 1990, and the project is completed before October 1, 1994. We are limiting the actual allowable costs of obligated capital that will be recognized as old capital to the estimated costs of the capital expenditure as of December 31, 1990. The intermediary will rely on the best evidence available to establish from the outset the scope of the project and the limitation on the costs of obligated capital that will be recognized as old capital. Any allowable costs for obligated capital that exceed the limitation will be recognized as new capital costs.

We are expanding our definition of capital-related costs to recognize all currently defined capital-related costs in the definition of old capital under certain conditions. The definition includes the following costs attributable to assets that meet the old capital definition—

- Depreciation and interest costs.
- Lease and rental payments for plant and fixed and moveable equipment as long as the same asset remains in use. We will recognize lease renewals for the same asset for up to the annual lease payment amount obligated as of December 31, 1990 if the annual lease payment is at least \$1,000 and the

asset has a minimum useful life of 3 years.

- Taxes, insurance, and other capital costs apportioned to old capital based on the ratio of gross asset value for old capital assets to total asset value.
- Subject to adequate documentation, we will treat allowable capital-related costs incurred by a related organization (including a home office) on the same basis as capital-related costs incurred directly by the hospital.

We are modifying the proposed hold-harmless payment methodology and the proposed fully prospective payment methodology to take into account the recognition of obligated capital.

Payment to a hospital under the hold harmless methodology will be based on an annual determination of the higher of the hold harmless amount or the Federal rate through the later of the hospital's first cost reporting period beginning in FY 1994 or after obligated capital that qualifies as old capital has been put in use. A hospital paid under the fully prospective payment methodology may request that its hospital-specific rate be redetermined subsequent to the base period to reflect the addition of obligated capital and other changes in its costs for old capital. The hospital-specific rate may be redetermined through the later of a hospital's cost reporting period beginning in FY 1994 or after obligated capital that qualifies as old capital has been put in use. The new hospital-specific rate will reflect the disposal of old assets as well as the addition of obligated capital costs, but not new capital acquisitions. If the redetermined hospital-specific rate exceeds the Federal rate, the hospital will be paid under the hold-harmless methodology.

The payment methodology in effect during the hospital's cost reporting period beginning in FY 1994 (or after the obligated capital has been put in use, if later) determines the payment methodology applicable for the remainder of the transition under either transition payment methodology.

Since we are providing for a redetermination of the hospital-specific rate, we are eliminating the proposed special rule that would have allowed fully prospective hospitals with FY 1992 costs per case above the Federal rate to be paid under the hold-harmless methodology.

We are reducing the hold-harmless payment for old capital costs to 85 percent of reasonable costs. We are affording additional payment protection for sole community hospitals by increasing the hold-harmless payment percentage for their old capital costs to 100 percent. We will not apply the

budget neutrality adjustment to the hold-harmless payment.

We are eliminating the limitation on the ratio of the hospital's new capital costs to total capital costs used to determine the Federal rate payment portion of the payment for new capital costs under the hold-harmless payment methodology. We are revising our exceptions policies to establish minimum payment levels by class of hospital during the transition. For portions of cost reporting periods occurring in FY 1992, we will make additional payments under the exceptions process to ensure that:

- Sole community hospitals receive capital payments that represent 90 percent of their Medicare inpatient capital costs;
- Urban hospitals with 100 or more beds that have a disproportionate share patient percentage of at least 20.2 percent receive capital payments that represent 80 percent of their Medicare inpatient capital costs; and
- All other hospitals receive capital payments that represent 70 percent of their Medicare inpatient capital costs.

We are limiting total exceptions payments to 10 percent of prospective payments. Therefore, it may become necessary to reduce the minimum payment levels after FY 1992 to keep within the 10 percent limitation. Exceptions payments in subsequent transition years will be determined on a cumulative basis by comparing a hospital's minimum payment percentage (for example, 70 percent of inpatient capital costs) for all cost reporting periods that the hospital has been subject to the capital prospective payment system (including the period for which the exception payments are requested) to the capital payments that have been received over the same period. The exceptions payments will cease at the end of the transition period.

We are providing a limited exception during the transition period for hospitals that, due to extraordinary circumstances beyond their control, must make an unanticipated major capital expenditure. To qualify for this exception, the capital project must have a net cost at least \$5 million after deduction of any insurance proceeds. An eligible hospital's minimum payment level under the exception will equal 85 percent of its costs associated with the unanticipated capital expenditure and the applicable minimum payment level for its other Medicare inpatient capital costs. The exceptions payment will be determined consistent with other exceptions payments on a cumulative basis. The

extraordinary circumstance exceptions payment must be applied for, through the appropriate HCFA Regional Office, to the HCFA Administrator.

To update the Federal rate and the hospital-specific rate through FY 1995, we are using a moving two-year average of actual increases in Medicare inpatient capital costs per case, adjusted for case mix change. We will derive the update factor for FY 1993 based on the rate of increase in Medicare inpatient capital costs per case between FY 1988 and FY 1990.

New hospitals will be exempt from the capital prospective payment system for their first two years of operation and will be paid 85 percent of reasonable costs during this period. The second year will be the hospital's base period for purposes of determining the facility's hospital-specific rate and old capital assets. Effective with the third year of operation, the hospital will be paid under the fully prospective methodology using the appropriate transition year blend or the hold-harmless methodology. The hold-harmless payment will continue for up to 8 years and may extend beyond the transition.

We are presenting our preliminary design of the update framework that we will propose for use in updating capital prospective payment rates in FY 1996 and thereafter. We are soliciting comments on this framework prior to proposing the specific methodology.

#### IV. Discussion of Public Comments on the February 28, 1991 Proposed Rule

Under the proposed rule, a hospital subject to the prospective payment system would begin receiving payments for hospital inpatient capital-related costs on a prospective payment basis as required by section 1886(g)(1) of the Act effective with its first cost reporting period beginning on or after October 1, 1991. During the ten-year transition period, the hospital's capital payment would be based on the hospital's own capital cost experience and the Federal payment rate. Two different payment methodologies would apply during the transition. Generally, hospitals with a hospital-specific rate below the Federal rate would be paid based on a blend of the hospital-specific rate and the Federal rate. Hospitals with a hospital-specific rate above the Federal rate would receive the higher of the Federal rate or a hold-harmless payment for old capital plus a payment for new capital. We proposed that all capital payments would be based on the Federal payment rate effective with cost reporting periods beginning on or after October 1, 2001.

We are responding to ten general comments on the proposed rule in this

section. Our responses to comments on specific aspects of the proposed rule are provided under the discussion of the individual features of the proposal.

*Comment:* Many commenters opposed the proposal to implement a prospective payment system for inpatient capital-related costs or suggested delay in implementation for a variety of reasons. Those commenters made the following assertions:

- The payments will be inadequate.
- The failure of the prospective payment system to recognize hospital capital cycles will result in an unnecessary and arbitrary redistribution of capital payments among hospitals.
- No additional savings or cost containment will result from this methodology.
- The proposed system is too complex and its impact is too unpredictable.

*Response:* Section 1886(g)(1) of the Act requires the Secretary to establish a prospective payment system for the inpatient capital-related costs of prospective payment hospitals for cost reporting periods beginning in FY 1992. We believe that a capital prospective payment system is necessary to create appropriate incentives for efficient capital spending. We acknowledge that, in moving to an average pricing system to pay for capital expenditures for hospital inpatient services, our payment will be independent of an individual hospital's capital cost experience and that payment redistributions will result. However, we do not agree that this effect is necessarily inappropriate. The wide variation in capital costs per case suggests that some redistribution of capital resources is appropriate.

Since 1984, when the prospective payment system for operating costs was implemented, the cost per case for Medicare hospital inpatient capital has increased almost 100 percent, while capital input prices have grown less than 20 percent. Thus, the volume and intensity of capital acquisition far outpace the increase in input prices for capital assets. The increase in the volume and intensity of capital acquisition also exceed that of operating costs. In the first six years of the prospective payment system, capital costs increased from 8 percent to 10 percent of total allowable inpatient costs even though capital input price increases have been significantly lower than operating input price increases.

This growth in capital spending has occurred despite a decline in hospital admissions and occupancy rates since 1984 and substantial excess hospital capacity. Over one-third of the hospital beds in the nation are not utilized. Cost-based reimbursement subsidizes excess

capacity because payments are based on the proportion of Medicare inpatient days of care provided by the hospital and are unrelated to the number of Medicare admissions. Medicare's share of inpatient days have been increasing. One result is that with declining occupancy rates, Medicare patients use a higher proportion of total hospital days and Medicare's subsidy has increased.

We do not believe that the current system is as equitable as a prospective payment system because discounting payments to efficient hospitals as well as inefficient ones penalizes efficient hospitals and subsidizes inefficient hospitals. Further, we believe that the financial difficulties created by moving to an average pricing system will be largely alleviated by the 10-year transition period, the protection for old and obligated capital costs, and the exceptions policies we are establishing in this final rule. We believe that most hospitals with substantially higher capital costs per discharge than the Federal rate will have adequate time under the transition period to adjust their capital spending plans and financing arrangements to meet the relatively lower payment levels by the time they reach capital payment based only on the Federal rate.

Many commenters argued that there would be no benefits resulting from a capital prospective payment system that could not be accomplished through payments based on reasonable cost principles or an alternative cost-based methodology to be developed after further study. However, we believe that the change to a prospective pricing system is needed to control capital spending. Under a cost-based payment system, hospitals have limited incentive to delay or forego a capital project because Medicare payments increase as capital costs increase and excess capacity is subsidized. Further, the current system favors debt financing over equity financing and capital investment over operating expenditures. By making Medicare's payment independent of a hospital's decisions with respect to the timing and financing of capital projects and by aligning the incentives of the capital payment system with those of the operating prospective payment system, we expect that hospitals will make efficient capital decisions. We note that, after evaluating this issue and concluding that there was no viable agreed-upon alternative, the Prospective Payment Assessment Commission (ProPAC) accepted our proposal for the capital prospective payment system.

We continue to believe that a per discharge average pricing system remains the most equitable and feasible means to provide incentives to control capital expenditures, and is consistent with the methodology being considered for other Medicare payment areas. Thus, independent of the statutory mandate to implement capital prospective payments effective October 1, 1991, in our view this change is necessary and appropriate. In any event, the change is required by statute, and the Secretary is not authorized to delay its implementation.

These rules are not intrinsically designed to increase Medicare program savings, but rather to change hospital behavior by providing incentives for efficient capital decisions. While specific data concerns are addressed in detail below in response to specific comments on the adequacy of our payment rates and actuarial projections, we wish to point out that the Federal rate is based on our best estimation of the average Medicare inpatient capital cost per case in FY 1992.

We are establishing payment policies that will result in FY 1992 aggregate Medicare payments for inpatient capital-related costs equal to 90 percent of reasonable costs. This represents a 5.9 percent increase over the payment level in effect prior to October 1, 1991. The transition payment policies protect hospitals for their prior capital commitments and should not disadvantage hospitals that prudently control their new capital spending. The complexity of these policies result directly from our desire to provide for one equitable transition from cost-based reimbursement to a prospective payment system. Since no other substantive alternative to our proposal was suggested by commenters, (other than the rolling base alternative which was previously rejected (52 FR 33168)), we do not believe a delay in implementing the capital prospective payment system is appropriate in light of the following:

- The requirements of section 1880(g)(1) of the Act.
- The need to provide appropriate incentives for efficient capital spending.
- The inequities of the current system.
- The transportation payment policy protections for existing capital commitments.
- The recommendation of ProPAC on implementing a capital prospective payment system.

*Comment:* One commenter questioned whether hospitals will be allowed to expand their capacity or services under the capital prospective payment system.

*Response:* Aggregate payment levels under the capital prospective payment system will be adequate to meet the future capital needs of the hospital industry. From FY 1992 through FY 1995, capital payments will be 5.9 percent higher than they would have been under the 85 percent of reasonable cost payment level in effect prior to October 1, 1991 and, in aggregate, will equal 90 percent of reasonable costs for Medicare's share of inpatient capital. Beginning in FY 1996, the update in the Federal rate will take into account appropriate changes in capital requirements.

Under the capital prospective payment system, we will pay for the average capital services provided during an inpatient stay rather than for the capital purchases a hospital makes. Medicare payment will flow with the patients to those hospitals where capacity is needed. Hospitals will need to plan their major capital expenditures wisely and undertake only those projects that are economically viable since, by moving to a prospective per discharge payment, the Medicare program will no longer subsidize underutilized capacity.

In the long run, the capital prospective payments should be adequate for hospitals that plan their capital projects carefully and spend prudently. To allow hospitals time to adjust to the new payment methodology and to assure hospitals that face needed capital expenditures within a few years are not significantly disadvantaged, we are establishing additional protection during the transition period through our exceptions policies.

*Comment:* Several commenters remarked that the effect of the proposal on the quality of health care provided in the inpatient setting had not been addressed in our notice. They indicated their concerns that hospitals would not be as able to keep pace with the latest technology and equipment due to the limits on payments imposed under a capital prospective payment system.

*Response:* In the proposed rule's impact statement (56 FR 8499), we specifically stated our belief that the capital prospective payment system will continue to ensure access to high quality care for Medicare beneficiaries. In developing the transition payment policies, we have paid particular attention to achieving a balance between avoiding disruption in the hospital industry by protecting existing capital commitments and assuring that adequate funds are available for new capital expenditures. In FY 1992 through FY 1995, aggregate payment levels will be 5.9 percent higher than they would

have been under the 85 percent reasonable cost payment level in effect prior to October 1, 1991. The update factor beginning in FY 1996 will specifically include consideration of appropriate changes in capital requirements from new technology and other factors that directly affect the quality of care.

*Comment:* Many comments were received that suggested payment adjustments or methodology changes be made to provide incentives under the capital prospective payment system for a variety of objectives, including actions to support equity financing of capital costs (for example, additional funded depreciation exemptions) and actions to give special consideration to reliance on debt.

*Response:* We are not making any changes in the final rule that provide incentives for a particular means of financing. As we indicated in the proposed rule (56 FR 8499), we hope to establish the same kind of economic relationship for capital investment decisions as generally exist in a price competitive marketplace. In our opinion, to provide incentives that would favor either equity or debt financing would be to undercut a basic purpose of the capital prospective payment system. Hospitals will make the most cost effective financing decisions only if the capital prospective payment is neutral with respect to that decision. Thus, we are not accepting these recommendations.

*Comment:* A number of commenters asserted that a special adjustment to, or exclusion from, the capital payment rate should be established for taxes that proprietary hospitals must pay since taxes are nondiscretionary costs that are escalating constantly and currently constitute about 10 percent of the capital-related cost of proprietary hospitals. One commenter noted that some local governments impose assessments on non-proprietary hospitals in lieu of taxes on property.

*Response:* As a general principle, we are opposed to singling out specific components of capital costs for continued cost-based payment or as a specific payment adjustment. However, we recognize that property taxes and assessments are legitimate capital costs that vary across hospitals depending upon their tax status or the State or locality where they are located. We share the concern of the commenters that including property taxes in the Federal rate may overpay some hospitals and underpay others. At this time, we do not have data available to consider special treatment for property



taxes. We will study this issue and, if we determine that special treatment is feasible, we will propose an adjustment for public comment. One concern we have is the development of an appropriate policy that cannot be used by local governments to adopt provider-specific taxes and assessments that would inappropriately increase Medicare payments.

We note that property taxes will be adequately represented in a hospital's payment for old capital under the hold harmless payment methodology and in the hospital-specific rate of the fully prospective payment methodology. Thus, the impact of not providing special treatment will be minimal in the first few years of the transition period when hospital-specific payments constitute the major basis for payment.

**Comment:** A commenter requested clarification regarding the payment for a case in which the patient is admitted prior to the start of capital prospective payment system, but discharged after the capital prospective payment system has begun.

**Response:** All statistics used for the apportionment of capital-related costs are associated with the cost reporting period in which a discharge occurs. As a result, unlike the beginning of the inpatient operating prospective payment system, there is no need to make any adjustment to payments for these cases. These cases will be paid the full capital prospective payment.

**Comment:** Several commenters requested clarification of the payment methodology for transfer cases under the capital prospective payment system. One commenter suggested that each hospital receive an add-on to its capital payments reflecting the percentage of operating prospective payment system payments made for transfer cases. One commenter advocated paying transfers as discharges. Some commenters requested an example of how transfer cases would be paid.

**Response:** Transfer cases under the prospective payment system for inpatient capital-related costs will be paid on a per diem basis, using the full prospective payment amount for the DRG (both Federal and hospital-specific, if appropriate) divided by the geometric mean length of stay of the DRG, but not to exceed the full prospective payment amount. This method is analogous to the manner in which transfer cases are paid under the operating prospective payment system, as defined at 42 CFR 412.4(d).

**Comment:** Several commenters stated that the final rule should clarify that for portions of FY 1992 occurring prior to the beginning of a hospital's first cost

reporting period under the capital prospective payment system, Medicare's payment for capital-related costs would be paid at 90 percent rather than 85 percent of reasonable costs. One commenter stated that the 90 percent level should be applicable to outpatient-related capital and capital-related costs for hospitals and units excluded from the prospective payment system.

**Response:** We are revising the final rule to clarify that inpatient capital costs incurred by a hospital subject to the prospective payment system will be paid at 90 percent of reasonable costs for the portion of FY 1992 that precedes the start of its cost reporting period beginning in FY 1992. Consistent with section 1861(v)(1)(S)(ii)(I) of the Act, as amended by section 4151(a)(1) of Public Law 101-508, payments for capital-related costs of outpatient hospital services are to be reduced by 10 percent for portions of cost reporting periods occurring during FY 1992 through FY 1995. This provision was one of several self-implementing provisions enacted by Public Law 101-508 that were announced in a January 7, 1991 notice of legislative changes for which notice and comment rulemaking was not required. We are not revising the regulations to reflect this provision at this time.

There is no statutory authority to reduce payments for capital-related costs for inpatient services incurred by hospitals that are excluded from the prospective payment system. Payments will continue to be made for the capital-related costs of inpatient services furnished by excluded hospitals and units based on 100 percent of Medicare's share of reasonable costs.

**Comment:** One commenter noted dissatisfaction with the timeliness and adequacy of our response to Freedom of Information Act (FOIA) request for all documents relating to the proposed rule and indicated that it jeopardized the commenter's ability to properly analyze and comment on it.

**Response:** We responded as fully and timely as possible to FOIA requests on the proposed rule. Releasable information was sent on a flow basis, as soon as it was received from the various agency components involved, to facilitate commenters' reviews within the comment period time-frame. However, we do not believe that the information we released through the FOIA process was critical to analysis and fully informed comment on the proposed rule. This is because we made extensive efforts, some of which were unprecedented, to assist hospitals and other interested parties in evaluating the proposed rule. Our actions included the following:

- The proposed rule contained explanations of the basis for our proposed policies that were at an appropriate level of detail for most commenters on the proposed rule. A contact person was listed for those individuals who desired additional information. We met with interested parties who requesting meetings to obtain additional information or clarification of the proposed policies. Upon request, we provided specific information on the assumptions and methodologies used in the actuarial model and in the capital regressions.

- We made available a public use computer file that included the capital data elements from cost reporting periods beginning in FY 1988 (PPS-5) that were used in constructing the variables used in the regression equations.

- Recognizing the complexity of the proposed rule, we sent to each hospital an optional computation sheet that would allow the hospital to determine which payment methodology would be applicable under the proposed capital prospective payment system and to estimate the FY 1992 impact of the proposed rule on the facility. Subsequently, we sent to each hospital a computer program that would enable the hospital to project the estimated impact of the proposed rule over the course of the 10 year transition. Users were able to determine from this program and its documentation not only the estimated impact of the proposed rule but also the projected payment rates and adjustment factors that would be applicable throughout the transition. In the April 15, 1991 issue of the *Federal Register* (56 FR 15060), we apprised the public of the availability of these aids in evaluating the proposed rule.

- To ensure that interested parties had adequate time to comment on the proposed rule, on April 25, 1991, we published a notice in the *Federal Register* (56 FR 19071) extending the comment period by 15 days, from April 29, 1991 to May 14, 1991.

The explanations, data, and background provided in the proposed rule and information made available to hospitals and the public (including the optional computation sheet and the computer program) to assist in evaluation of the proposed rule were, in our view, more than adequate to comment on the proposed rule and considerably in excess of that required under rulemaking procedures.

**Comment:** Several commenters requested that we publish all reduction and update factors for the entire 10 year transition. Another commenter

requested that we make available estimates of exceptions payments throughout the transition.

**Response:** We have published estimates of all of the requested factors for FY 1992 through FY 1996 in appendix A of this final rule. We caution that the factors for FY 1993 through FY 1996 are estimates only and are subject to revisions resulting from evaluation of more recent data, policy changes, and methodological refinements. We believe that the reliability of the estimates decreases over time and that no useful purpose would be served in publishing estimated factors for more than 5 years in advance. In each year, the exceptions and outlier reduction factors, and the budget neutrality adjustment that is applicable for the subsequent year will be published for comment in the notice of proposed rulemaking published in the Spring, and in the final rule by September 1. We will also publish the estimated factors for the four succeeding years.

**Comment:** Several commenters asked if payment for outpatient capital-related costs would be affected by the proposal for a prospective payment system for inpatient capital-related costs.

**Response:** There will be no effect on Medicare payments for capital-related costs for either hospital outpatient services of excluded hospitals and units as a result of implementation of the prospective payment system for hospital inpatient capital-related costs.

#### A. Determination of the Federal Capital Payment Rates

##### Step 1—Base Year Average Capital Cost Per Case

a. **National Average.** We proposed to base the Federal capital prospective payment rates on projected FY 1992 national average Medicare inpatient capital-related costs per discharge for all hospitals and hospital units subject to the prospective payment system. The FY 1992 national average would be determined by updating the FY 1988 discharge weighted national average capital-related cost per discharge determined from cost report data by an actuarial estimate of the increase in Medicare inpatient capital costs per discharge. The estimate would take into account projected changes in total

inpatient capital costs, hospital admissions, and Medicare utilization.

The following update factor percentages were used to establish the Federal capital prospective payment rates set forth in table 1 of the preamble of the proposed rule:

#### ESTIMATED INCREASE IN MEDICARE INPATIENT CAPITAL COSTS PER CASE

Fiscal year	Percent
1989.....	10.55
1990.....	7.25
1991.....	6.04
1992.....	6.80

**Comment:** Many commenters complained that the factors used to update Medicare capital costs per case from 1988 to 1992 were too low. Some commenters stated that the components of the projected update factors are unreasonable. For instance, they argued that the projections of total capital increases are too low, that Medicare admission increases are too high, and that Medicare's share of capital should be based on changes in Medicare utilization of inpatient hospital services. Other commenters stated that we should base the capital cost assumptions on the most recent data and that we should use AHA panel survey data and Congressional Budget Office projections.

**Response:** We used the AHA panel survey to analyze increases in capital costs. Since this rule covers Medicare inpatient capital costs, we needed to project aggregate hospital inpatient capital costs. The AHA panel survey capital amounts include both inpatient and outpatient data. We multiplied the total capital amounts by the ratio of patient days to adjusted patient days (which take into account outpatient services) to compute inpatient capital-related costs. Since outpatient costs are growing more rapidly than inpatient costs, the capital costs allocated to inpatient services will grow more slowly than total capital costs.

To project Medicare's share of inpatient capital, we used Medicare's share of inpatient days as a proxy. We used the change in Medicare's share of the population combined with the change in Medicare's inpatient day share per population share. We consider

this an appropriate adjustment. Apparently, the commenters did not realize that the ratio of Medicare day share to population share was used in addition to Medicare's share of the population. To avoid further misunderstanding on this point, in the final rule we are projecting the combination of these two factors as a single factor which we refer to as the change in Medicare's share.

Aggregate Medicare inpatient capital expenditures must be divided by Medicare admissions to derive Medicare inpatient capital costs per case. We used a combination of Medicare enrollment increases combined with the change in admission incidence (admissions per enrollee). The Medicare enrollment is derived from demographic analysis and we consider it very reliable. Admission incidence should not be projected using only recent experience. Before the start of the prospective payment system for operating costs, Medicare admissions had been growing at over one percent per year. The prospective payment system significantly reduced admission incidence, but admission incidence has increased each year except for 1990, when there was a slight decrease, since 1985. Therefore, we consider the early years of the prospective payment system to be an aberration in the growth in admission incidence. We note that we project budget outlays, and outlays for the Annual Report of the Board of Trustees to the Congress with the same admission projections, and the projections have proven to be reliable.

We do not accept the comment that we should use projections by the Congressional Budget Office. It is our responsibility to make the best projections possible for this final rule and we are using our own projections.

We have consistently used the most recent data to make our projections. In fact, since the proposed rule, we have acquired more data, including another year of cost report data (cost reporting periods beginning in FY 1989).

Consequently, we have revised our projection of Medicare inpatient capital per admission increases. Further, we now only need increases for fiscal years 1990, 1991, and 1992 since we are projecting from fiscal year 1989. Our revised projections are as follows:



## FACTORS FOR MEDICARE INPATIENT CAPITAL COST PER CASE INCREASES

[In percent]

Fiscal year	(1) Total inpatient capital	(2) Medicare share	(1)×(2)=(3) Medicare inpatient capital	(4) Medicare enrollment	(5) Admission incidence	(4)×(5)=(6) Medicare admissions	(3)/(6)=(7) <sup>1</sup> Estimated increase in Medicare inpatient capital cost per case
1990.....	8.52	1.76	10.43	1.98	-0.09	1.89	8.37
1991.....	9.00	3.70	13.03	2.17	0.58	2.76	10.00
1992.....	9.00	4.00	13.36	1.91	1.09	3.02	<sup>2</sup> 10.14

<sup>1</sup> The calculation of columns (3) and (6) is achieved by adding 1 to each factor, multiplying the factors together, and subtracting 1 from the result:  $1.0852 \times 1.0176 = 1.1043$ , for example. Similarly, column (7) is calculated by adding 1 to the numbers in columns (3) and (6), dividing, and subtracting 1 from the result:  $1.1043 \div 1.0189 = 1.0837$ .

<sup>2</sup> The FY 1992 estimated rate of increase (10.04 percent) has been increased by .1 percent to take into account the expansion of the definition of inpatient hospital services to include outpatient services related to the admission that were furnished within 72 hours of admission.

Example: The FY 1990 update factor is computed as follows:

$$\frac{1.0852 \times 1.0176}{1.0198 \times .9991} = \frac{1.1043}{1.0189} = 1.0837 = 8.37\%$$

In the proposed rule, the cumulative update factor from FY 1989 to FY 1992 was 21.46 percent ( $1.0725 \times 1.0604 \times 1.0680 = 1.2146$ ). In the final rule, the cumulative update factor is 31.30 percent ( $1.0837 \times 1.1000 \times 1.1014 = 1.3130$ ). As a result, the Federal rate using the revised projections is 8.10 percent higher ( $1.3130/1.2146 = 1.0810$ ) than it would have been if we had used the inflation projections in the proposed rule.

To verify the quality of the projection methodology, we compared historical Medicare capital cost per case increases as developed by this methodology with increases actually observed in the cost reports. The numbers compared very well. This comparison has reassured us that our methodology for projecting Medicare capital cost per case increases is reliable.

**Comment:** Some commenters indicated their belief that we calculated the Federal rate from a biased 39 percent sample of hospitals. They thought that this sample is too small and that we should use actual data. Other commenters stated that we should use 1990 data rather than 1988 data to calculate the Federal rate. Another comment suggested that data for hospitals that use fiscal years that do not coincide with the Federal fiscal year were improperly inflated.

**Response:** These commenters mistakenly believe that we computed the Federal rate from the FY 1988 Medicare inpatient capital costs per

case for a sample of hospitals. They appear to be confusing the determination of the Federal rate in the proposed rule with the method used to determine the payment adjustments. In fact, we used all available data from cost reporting periods beginning in FY 1987 and FY 1988 to compute a FY 1988 Medicare inpatient capital cost per case in the proposed rule. We weighted the Medicare inpatient capital costs per discharge (not reduced by the payment reduction factors) by the number of days in the hospital's cost reporting period that actually occurred in FY 1988. This technique eliminated the need to inflate individual hospital costs to compensate for differing cost reporting periods. (Consequently, the comment regarding improper inflation of data is based on a misunderstanding of the methodology.) We were able, from the two sets of cost reports, to cover the entire FY 1988 period.

For the final rule, we now have data from cost reporting periods beginning in FY 1989 that can be used with the data from cost reporting periods beginning in FY 1988 to construct an FY 1989 Medicare inpatient capital cost per case. Using the same technique as in the proposed rule to combine cost reporting periods to compute a fiscal year rate, we computed the FY 1989 Medicare inpatient capital cost per case. Even though the cost reporting periods beginning in FY 1989 run into FY 1990, they do not cover the entire year, so that it would not be possible to accurately compute the FY 1990 cost per case.

In computing the average cost per case, we made an adjustment to take into account the estimated effect of audit adjustments on allowable capital costs. Each time we review a more recent update of the cost report data for the same cost reporting period, we find that the average Medicare inpatient capital cost per case is lower than it was in earlier updates for the same cost reporting periods. In fact, the FY 1988

Medicare capital cost per case has decreased 3.3 percent from \$510.11 based on the data used in the proposed rule to \$493.22 based on cost report data received through August 1991. This is because an increasing number of cost reports have been audited and settled. Since we are using FY 1989 Medicare capital cost per case as the foundation of the Federal rate, we will be using cost report data that is virtually unaudited. In order to derive the "best" measure of Medicare capital cost per case, we must adjust the cost report data for the effects of audits. To determine the amount of the adjustment, we looked at the settlement progress of cost reports for several years. We first compared Medicare inpatient capital cost per case differences for hospitals that have both "as submitted" and "settled" cost reports in the data base. We found that the effect of audits and settlements on capital costs was as follows:

Cost reporting period beginning in FY	Average percentage change between "As submitted" and "As settled" cost reports
1985 .....	-16.48
1986 .....	-7.74
1987 .....	-6.98
1988 .....	-6.20
1989 .....	-6.65

For cost reporting periods beginning in FY 1989, the percentage reduction is about 6.7 percent, but that is only for 809 hospitals compared to 6,236 in FY 1987 and 4,299 for FY 1988. Because so few hospitals have been audited in the most recent data for FY 1989, we decided to use the FY 1988 audit effect of -6.2 percent to adjust the "as submitted" costs in cost reporting periods beginning in both FY 1988 and FY 1989. We multiplied the Medicare inpatient

capital costs on only "as submitted" cost reports by the corresponding audit factor (.938) before computing the average Medicare inpatient capital cost per case.

Reopening of cost reports has a small upward effect on Medicare inpatient capital cost per case. We compared settled cost reports that have not been reopened with the latest settled cost reports that included any reopened reports. The effect of reopenings fluctuated over the years, but the hospital weighted mean was an increase

of 0.32 percent. We increased the Medicare capital cost per case on settled cost reports that have not been reopened by 0.35 percent before computing average Medicare inpatient capital cost per case. Cost reports that were reopened more than once show virtually no change. Consequently, we did not adjust reopened cost reports.

The adjustments for audit effect result in a reduction in Medicare inpatient capital costs per case of -0.9 percent and -4.6 percent for FY 1988 and FY 1989, respectively. The reduction for FY

1989 is larger because a lower percentage of the cost reports with portions of the reporting period falling in FY 1989 had been settled in the August 1991 cost report update.

The following table summarizes the effect of the audit adjustments on the FY 1988 and FY 1989 Medicare inpatient capital costs per case. In this final rule, the Federal rate is based on the FY 1989 cost per case of \$527.22. It is 6.5 percent lower than the comparable FY 1989 cost per case amount that was used in the proposed rule.

COMPARISON OF BASE CAPITAL PER ADMISSION FROM THE NPRM AND THE FINAL RULE

	Capital cost per admission	Percent change from NPRM	Cumulative percent change from NPRM
NPRM: FY 1988, December, 1990 data .....	\$510.11		
FY 1988, July 1991 data .....	493.22	-3.3	
FY 1988, July data with audit adjustments .....	488.96	-0.9	
NPRM, updated to FY 1989 by 1.1055 .....	563.93		
FY 1989, July 1991 data .....	552.67	-2.0	
FY 1989 July data with audit adjustments .....	527.22	-4.6	-6.5

In calculating the FY 1989 Medicare inpatient cost per discharge, we made two other adjustments based on public comment that we received on the February 28, 1991 proposed rule. First, we increased the FY 1992 update factor by 0.1 percent to take into account the effect of section 4003 of Public Law 101-508. This provision amended section 1886(a)(4) of the Act by expanding the definition of inpatient hospital services to include diagnostic or other services that are related to the admission (as defined by the Secretary) that are provided by the hospital (or by an entity wholly owned and operated by the hospital) during the 3 days immediately preceding the date of the patient's admission. At the time this provision was enacted, we estimated the impact to be \$50 million. This is about 0.1 percent of total Medicare inpatient payments so the effect on Medicare inpatient capital costs would also be approximately 0.1 percent.

Our other adjustment was to take into account the effect of transfers on the total discharge count used to determine the cost per case. As described below in IV.B. Step 1a, we used the bills in the MEDPAR file to adjust the hospital-specific discharge count in the base year for transfer cases with a length of stay that was less than the geometric mean length of stay for the DRG.

Using this analysis, the national ratio of discharges modified by the transfer adjustment to total discharges is 0.9911. By adjusting the discharge count by

0.9911, we increased the FY 1992 cost per case by 0.9 percent (1/0.9911). After making these adjustments, we estimate the FY 1992 Medicare inpatient capital cost per case at \$698.50 in this final rule compared to \$684.96 in the proposed rule.

*Comment:* Some commenters argued that we should compute the Federal rate on 100 percent of Medicare inpatient capital costs rather than 85 percent or 90 percent.

*Response:* We calculated the Federal rate on 100 percent of Medicare inpatient capital costs. The budget neutrality factor is calibrated so that aggregate payments under the capital prospective payment system equal 90 percent of total allowable Medicare inpatient capital costs.

*Comment:* A commenter asserted that lease and insurance costs should be included in the Federal rate.

*Response:* Our calculation of the Federal rate includes all capital-related costs, including depreciation, interest, leases, rentals, taxes, and insurance.

*Comment:* A commenter questioned why the Federal rate is not based solely on the costs associated with new capital in the belief that the Federal rate is supposed to pay for new capital costs.

*Response:* After the transition period, the Federal rate is the only payment for capital costs (both old and new). Thus, the Federal rate must be based on all capital costs. The transition period blends hospital-specific payments with the Federal rate to determine payments

for the first 10 years. For hospitals paid under the hold-harmless methodology, a portion of the Federal rate is payment for new capital. For hospitals paid under the fully prospective payment methodology, payment is based on a blend of the hospital-specific and Federal rate, and the Federal rate portion is not explicitly for new capital. For example, in FY 1992, 10 percent of the Federal rate will be payable, although we estimate that the national average rate of new capital will be about 13 percent.

*b. Average for Puerto Rico Hospitals.* Pursuant to section 1886(d)(9)(A) of the Act, under the prospective payment system for operating costs, hospitals located in Puerto Rico are paid under a special payment formula. These hospitals are paid a blended rate that takes into account their large urban, other urban, or rural designation and is comprised of 75 percent of the applicable standardized amount specific to Puerto Rico hospitals and 25 percent of the applicable national average standardized amount.

Because we do not believe that the capital prospective payment rate system should result in windfall payments to Puerto Rico hospitals, we proposed to use the blended payment rate used in the prospective payment system for operating costs. We proposed to compute a separate payment rate specific to Puerto Rico hospitals using the same methodology as is used to compute the national rate. Hospitals in Puerto Rico

would be paid based on 75 percent of the Puerto Rico rate and 25 percent of the national rate.

We did not receive any comments on our proposal to use a blended rate for hospitals in Puerto Rico and are adopting this policy in the final rule.

#### Step 2—Payment Adjustments

Section 4008(b)(1) of Public Law 100-203, which superseded the September 1, 1987 capital final rule, amended section 1886(g)(1)(A) of the Act to establish a specific provision for a capital prospective payment system that provides the Secretary with wider latitude than previously provided to determine which payment adjustments are appropriate for a capital prospective payment system and the level at which these adjustments should be made. As added by section 4008(b)(1) of Public Law 100-203, section 1886(g)(1)(B) of the Act requires only that the prospective payment for capital-related costs is to be on a per discharge basis and that it should be appropriately weighted for the classification of the discharge. In addition, section 1886(g)(1)(B) of the Act indicates that the capital prospective payment system may provide for adjustments for variations in the relative costs of capital and construction, appropriate exceptions, and a suitable adjustment to reflect hospital occupancy rate.

For the proposed rule, we did extensive regression analysis of the relationship between capital costs and the payment variables used in the prospective payment system for operating costs in order to determine which adjustments would be appropriate for capital payments.

We used several different regression equations to analyze the relationship between capital costs and potential payment variables. As dependent variables, we used total Medicare inpatient capital costs per case, as well as fixed and movable components, and the ratio of capital costs to operating costs. In addition to variables related to capital age and financing attributes and occupancy, we used the payment adjustments for the prospective payment system for operating costs and a construction cost index as independent variables. Our analysis indicated that variables relating to the age and financing of capital and occupancy rates are significant factors in explaining the variation in capital costs per case. However, we did not propose to create payment adjustments for capital age and financing attributes and occupancy because we do not believe that it is appropriate to recognize the effect of these variables in the payment system

for the long run. Instead, we controlled for these characteristics in determining the appropriate payment adjustments in our regression equation.

After determining which payment variables were not significant in explaining variation in capital costs per case (or had negative coefficients), we used a final regression equation to determine the size of adjustments for the payment variables that we concluded should be accounted for in the capital prospective payment system. The regression equation was specified in double log form. Our dependent variable in the proposed rule was capital costs per case standardized by the case-mix index. The independent variables were the following:

- The hospital wage index based on 1988 wage data.
- The disproportionate share percentage for urban hospitals with 100 beds or more.
- Dummy variables for large urban (urban areas with more than 1 million population) and other urban location.
- The capital age, financing, and occupancy variables.

As a final step, we simulated the payments that would result from the level of the payment adjustments indicated by the regression equation and compared them with actual capital costs per case and capital costs per case standardized for the capital age and financing variables. We used the simulation results to confirm, and revise as appropriate, the proposed payment adjustments.

Thus, we used both regression analysis and payment simulations to develop payment adjustments that take into account variations in capital costs per case between groups of hospitals in an equitable manner.

In performing our regression analysis in the proposed rule, we used cost report data from cost reporting periods beginning in FY 1988. We found that we were able to develop reliable capital age and financing variables from the cost report balance sheet information for only 1,906 of the 4,902 hospitals in our data base. Therefore, the regression analysis as well as the payment simulation used data for the 1,906 hospitals. Although the 1,906 hospitals were not a statistical sample of all hospitals subject to the prospective payment system, the distribution of these hospitals across the major hospital groupings was generally representative of the national distribution of hospitals.

Based on our analysis, we proposed to make adjustments to the capital Federal payment rate for case mix, local cost variation, large urban location and

percentage of low income patients. In addition, we proposed to make additional payments for outlier cases, as discussed in step 4, below. We indicated that we would re-examine the level of the adjustments and make any appropriate changes if more recent data became available before publication of the final rule. Moreover, we would re-examine the appropriateness of the adjustments on a periodic basis in the future.

We received a number of public comments that address the regression equations and miscellaneous payment adjustment issues. These public comments are provided below.

*Comment:* Several commenters objected to various aspects of the analysis upon which we based the payment adjustment in the proposed rule. Some commenters objected to the limited sample of hospitals that included the age and financing variables. A few commenters suggested that we use a pooled data sample, using more than one year of data for a matched set of hospitals. Other supported the use of the payment adjustments for the operating prospective payment system instead of developing adjustments specific to capital prospective payments. Finally, some commenters asserted that we should develop a unified set of adjustments for capital and operating prospective payments and that the level of the adjustments should be based on an examination of combined operating and capital costs.

*Response:* In developing this final rule, we modified our proposed methodology. We agree with the commenters who suggested that we pool data, and in the regression equations for the final rule we used pooled data from cost reporting periods beginning in FY 1988 and FY 1989. We modified the asset age variable, by developing a combined fixed and moveable age variable, in order to increase the sample size. With these changes, the number of hospitals with reliable capital age and financing variables increased from 1,906 hospitals in the proposed rule to 3,680 hospitals in the final rule.

Notwithstanding this improvement in the capital cost data base, we have decided to establish the payment adjustments in this final rule using regression analysis of total costs per case (that is, combined operating and capital costs but not including direct medical education and other excluded costs) rather than using regression results applicable only to capital costs per case. We are persuaded by the argument advanced by some commenters, including ProPAC, that in

the long run the same adjustments should be applied to capital and operating payments and that the level of the adjustments should be determined by examining combined operating and capital costs. ProPAC recommended that the unified adjustments be calculated within two years. However, we believe that it would be most appropriate to implement these adjustments with respect to the capital prospective payment systems from the outset. While the payment adjustments for the operating prospective payment system are determined by the Act (and therefore cannot be modified by the rulemaking process), we have the latitude to develop adjustments based on combined costs for the capital prospective payment system.

We do not believe that it would be appropriate to use the current operating payment adjustments in the capital prospective payment system either permanently or on an interim basis until legislation is enacted changing the operating adjustments to the level appropriate for total costs. This is because the levels of the operating payment adjustments for serving a disproportionate share of low income patients (DSH) and for indirect medical education costs (IME) exceed the levels supported by empirical analysis. We believe the payment adjustments should be empirically supported and should reflect only the higher Medicare costs associated with teaching activity and treating low income patients.

Another alternative would be to establish interim payment adjustments specific to capital costs until legislation is enacted to provide for a unified set of payment adjustments. However, we believe that it is more appropriate to use the payment adjustments indicated by the total cost regression equations (in combination with payment simulations), rather than an interim methodology, in order to provide the payment predictability and stability desired by the industry.

In addition, using the total cost regression analysis alleviates many of the data problems mentioned by the commenters. In the total cost regression equations, the capital age and financing variables have no significant impact on the payment coefficients. As a result, to determine the size of the payment adjustments, we can specify the total cost regression equations without age and financing variables and expand the data set to include all those hospitals for which we can pool the data from cost reporting periods beginning in FY 1988 and FY 1989. Using the pooled data for all hospitals, we have 4,993 hospitals in

the data set. We note that although many commenters' concerns about the payment adjustments are addressed in whole or in part by the change in regression formulation, we are addressing specific comments individually below.

Based on the total costs regression equations and payment simulations, the following changes are being made to the payment adjustments to the Federal rate:

- We will increase a hospital's payments under the Federal rate by approximately 6.8 percent for every 10 percent increase in the hospital's wage index value.
- We will make a 3 percent add-on payment to large urban hospitals.
- We will increase a hospital's payments by approximately 2.0 percentage points for every .10 increase in its disproportionate share patient ratio.
- We will increase a hospital's payment by approximately 2.8 percentage points for every .10 increase in its ratio of residents to average daily inpatient census.
- We will make a cost of living adjustment in the payment to hospitals located in Alaska and Hawaii based on the current adjustment provided under the operating system.

*Comment:* Several other commenters believed that we did not present enough information in the proposed rule to permit them to evaluate the regression results, and urged that we publish all of the coefficients, t-statistics, and other regression output so that they may more carefully evaluate the regression results.

*Response:* We note that, upon request, we provided additional information on the regression equations used in the proposed rule. The table below provides the requested information for the total cost payment regression used in the final rule.

The dependent variable is total Medicare costs per discharge divided by the case mix index. The sample is the set of hospitals for which data from cost reporting periods beginning in both FY 1988 and FY 1989 data were available. Dependent and independent variables are in natural logarithms with the exception of the teaching, disproportionate share, and MSA size variables. The t-Statistics appear in parentheses.

#### TOTAL COST REGRESSION RESULTS AND ASSOCIATED T-STATISTICS

Dependent variable	In (total cost per discharge ÷ case mix)
Intercept .....	8.0651 (1,162.183)
PPS-6 Dummy .....	0.0867 (17.014)
Teaching variable (teaching dummy × ratio of interns and residents to average daily census) .....	0.2822 (14.110)
Wage Index .....	0.6848 (29.747)
Disproportionate Share (urban, at least 100 beds dummy × disproportionate patient percentage) .....	0.2025 (9.761)
Large Urban Areas (MSAs with population greater than 1,000,000) .....	0.1808 (18.096)
Other Urban Areas (MSAs with population less than 1,000,000) .....	0.1277 (16.354)
Number of Hospitals .....	4922
Adjusted R square .....	.4277

*Note:* The adjusted R square would be higher if the dependent variable were not standardized by the case-mix index and the case-mix index were included as an independent variable.

*Comment:* Two commenters raised basic methodological issues about the regression analysis. One opposed the use of regression analysis to set the payment adjustments because regression equations are based on past data and we are concerned with future capital needs. Another commenter believes that the regression equation specification is flawed because we are relating payment variables that change on an annual basis to capital costs, a variable that does not change in response to annual changes in the payment variables.

*Response:* We believe that regression analysis is the best tool available for assessing which factors should be used to adjust the Federal rate. Regression analysis is the only way we know to provide an empirical basis for these decisions and to avoid highly subjective judgments. However, it also needs to be emphasized that regression analysis was used in conjunction with payment simulation analysis to assess the effects of various payment adjustments. Simulations are used in part because we recognize data and other limitations of the regression analysis.

We do not know how we could have based the payment adjustments on future capital needs. Regarding the specific comment about capital variables, to the extent the comment has

merit, its chief consequence will be to reduce the explanatory power of the regression. However, we also believe that this comment highlights the appropriateness of controlling for differences in capital age and financing in the capital cost regression equation. After netting out the effects of these capital timing variables, we found that "long-run" capital costs were correlated with certain payment variables, such as the case-mix index and the wage index.

*Comment:* Comments on the specification of the capital regression equation included concerns about the age and financing variables used to standardize costs. Two commenters stated that the age and remaining depreciable life variables are flawed because they do not account for increases in the price of capital goods over time. Others believe that standardizing for these variables is inappropriate. Making a related point, other commenters stated that the regression equations should have contained only payment variables.

*Response:* In establishing the payment adjustments for the final rule, we specified the total cost regression equations without the capital age and financing variables. This is because these variables had no significant impact on the payment coefficients and dropping them allowed us to use the full hospital data set. However, we continue to believe that it is appropriate to include the age and financing variables in the capital cost regression equation. First, these variables help compensate for limitations in the measurement of the dependent variable, capital costs per case. Second, their inclusion helps prevent the coefficients of the payment variables (case mix, wage index, etc.) from being affected by correlation with the timing of capital spending. Hospitals whose capital costs are low because capital is old are not penalized relative to hospitals whose capital costs are high because capital was purchased recently. In addition, hospitals who have recently invested because they had funds available to spend are not rewarded because the capital age and financing variables should account for this source of spending. The age and remaining depreciable life variables are subject to several sources of measurement error. In fact, that is one reason why we included the financing variables (total liabilities/total assets and current assets/total assets) in the equation. The financing variables are correlated with age, but are not subject to the same sources of measurement error.

*Comment:* Several commenters asserted that we did not sufficiently

establish the statistical validity of the sample of hospitals we used. There was considerable unease among the commenters about the size of the resulting payment adjustments. In particular, many commenters believed that an adjustment for the indirect costs of medical education (IME) would have been warranted if the sample were more representative of the total universe of teaching hospitals. Some commenters asked whether exceptions and outlier cases were excluded, in the belief that they may skew the results in some manner.

*Response:* We agree that limiting the number of hospitals included in the payment regression is undesirable and raises questions about the representativeness of the results. However, we also believe (as discussed in response to other comments) that it is important to include variables for age and financing in the capital cost regression. In the regression used in the proposed rule, we used all hospitals for which we had reasonable values for the age and financing variables. This set of hospitals appeared to be generally representative of the population. It was not feasible to design a "statistically valid" sample because of the many dimensions in which the sample would need to be representative. The problem of using a sample that will yield representative regression results cannot be reduced to the problem of choosing a sample that will yield reasonably precise national estimates of a limited number of variables, such as capital cost per case. Further, it is not clear that we would have found evidence for an IME adjustment had we been able to include the complete set of teaching hospitals in the payment regression. Finally, although we did not exclude exceptions or outlier cases explicitly, we found no evidence that extreme cost values were skewing the regression results. We did, however, exclude hospitals from the total cost regressions with an average total cost per case greater than \$50,000. Since the regression equation used to establish the payment adjustments in this final rule is based on total costs (combined operating and capital costs) rather than capital costs, we are able to omit the capital age and financing variables and greatly expand the number of hospitals included in the regression. We believe this regression does provide more representative results than the regression used in developing the proposed rule.

*Comment:* Some commenters believed that the large urban add-on should have been held to 1.6 percent and that the difference between other urban and

rural areas should have been held to 0 when the size of the other payment adjustments was determined through regression analysis. This would make the regression equation consistent with how the urban cost differentials would be recognized in the payment formula.

*Response:* Our approach was to use the regression equation to estimate the magnitude of the adjustment factors for the wage index and disproportionate share adjustment, controlling for differences in the capital age and financing variables and urban-rural effects. The urban-rural effects were treated as a residual adjustment whose magnitude was determined by reference to the simulations. We have continued to follow this approach in the final rule. If we constrained the urban-rural effects as suggested by the commenter, we would attribute some of the urban-rural effects to the payment variables and inappropriately affect the level of the adjustments.

*Comment:* Some commenters were concerned that the regressions may be showing spurious correlations. In particular, rural hospitals may appear to need less capital because they have had lower Medicare profit margins under the operating prospective payment system and thus have not had enough resources available for capital expenditures. Another commenter believed that the wage index is highly correlated with capital costs because hospitals in high wage areas have had more Medicare funds available to spend, and so have been able to acquire more capital assets.

*Response:* While it is certainly true that urban hospitals have had higher Medicare operating margins than rural hospitals, it is also true that the two groups have had similar total margins. (In the first four years of the prospective payment system for operating costs, urban hospitals had higher margins, and in the fifth and sixth years, rural hospitals had higher margins). In addition, the lower occupancy levels experienced on average by rural hospitals indicate that these hospitals have substantial excess capacity, and hence may have lesser need to replace or renovate existing capital. We note the differential rates of increase in capital costs per case between data from cost reporting periods beginning in FY 1988 and cost reporting periods beginning in FY 1989 for urban and rural hospitals, as well as major teaching hospitals: Medicare capital costs per case increased 9.5 percent for urban hospitals, 4.0 percent for rural hospitals, and 14.4 percent for major teaching hospitals. These figures support the need to develop a prospective payment

system for capital, in order to control the growth in capital spending.

*Comment:* One commenter urged that we use pooled data from more than one year of the operating prospective payment system to determine the regression coefficients, in the belief that the resulting payment adjustments would be more stable. Another commenter urged the use of audited, rather than settled, cost report data in the regressions.

*Response:* We agree that it is desirable to have more stability in the payment adjustments than appears to result from the use of a single year's data. Pooling more than one year's data is a reasonable way to achieve this result. Therefore, in estimating the payment regression for the final rule, we have pooled data from the most recent data files, that is, data from cost reporting periods beginning in FY 1988 and FY 1989. Regarding the use of only audited cost reports, the differences between audited and other cost reports have generally been much smaller for operating costs and discharges than for capital costs. By basing the payment regression on total costs, rather than only capital costs, the most timely data can be used with minimal audit effects. If we were to use audited cost reports for the regressions, we would limit the size of the sample, when there is not a substantial change in total costs per case due to audit that would bias the results. In establishing the Federal rate, we made an adjustment based on the audit status of the cost report because we needed to establish accurately the absolute level of the FY 1989 inpatient capital cost per case. This adjustment is unnecessary for the total cost per case regression analyses because our concern is with relative cost per case levels.

*Comment:* Several commenters urged that we continue to do research into the determinants of capital cost variation. In particular, a question was raised regarding whether other variables may exist that are more reflective of capital spending than the prospective payment operating variables.

*Response:* Certainly, we will continue to be interested in the determinants of capital cost variation. However, we believe that by basing the payment adjustments on total cost variation, we are minimizing the effects on the Federal rate of any limitations of our understanding of capital cost variation.

*Comment:* Several commenters advocated payment adjustments for the age of a hospital's capital equipment or its position in the capital cycle and for the hospital's reliance on debt financing.

*Response:* We disagree with the commenters. We do not believe that it is appropriate to recognize the effect of age and financing variables on capital costs in the long run. We believe that the Federal capital payment should be independent of the timing and financing of capital acquisitions. Two hospitals that are identical, except that one recently purchased a new piece of equipment, while the other hospital is accumulating funds to purchase the same equipment, should not be paid differently for treating the same case. Further, two identical hospitals, one of which purchased a piece of equipment with funded depreciation, and the other of which financed the same equipment, should not receive different payments. By severing the link between Medicare payment and capital spending, we will provide neutral incentives with respect to the timing and financing of new capital acquisitions. We expect that the ten-year transition period will provide sufficient time for hospitals to adapt to the fact that after the transition period their payments will no longer vary based on hospital-specific actual capital cost experience.

We note that while the age and financing variables are significant factors in explaining the variation of capital costs per case, they have no significant impact on the coefficient values in the total cost regressions. Therefore, a payment adjustment for age or financing variations is not supported by the total cost regressions we have used in developing this final rule to set the payment adjustment levels.

A discussion of each payment adjustment follows.

a. *Case mix.* Under the prospective payment system for operating costs, all discharges are classified according to a list of diagnosis-related groups (DRGs). The payment per discharge varies by the DRG to which a beneficiary's stay is assigned. The formula used to calculate payment for a specific case uses an individual hospital's payment rate per case and multiplies it by the weight of the DRG to which the case is assigned. Each DRG weight represents the average resources required to care for cases in that particular DRG relative to the average resources required to treat cases in other DRGs. The DRG classification system and the methodology used to recalibrate the DRG relative weights are described elsewhere in this Federal Register document.

We proposed to use the DRG patient classification system for the capital prospective payment system and to adjust the Federal capital payment (and the hospital-specific rate) by the DRG

relative weight that is currently applied to operating costs. Our regression analysis using capital costs per case as the dependent variable in the proposed rule indicated that capital costs vary more than proportionately with the case-mix index and implied that there should be a relatively greater case-mix adjustment for capital costs than for operating costs. However, the disproportionate case-mix effect is attributable to hospitals with less than 100 beds. The regression coefficient for larger hospitals, which have most of the Medicare discharges, indicates that the case-mix effect on capital costs for these hospitals is comparable to the case-mix effect on operating costs. Therefore, we proposed to use the same DRG relative weights. Further, we use total charges to recalibrate the DRG relative weights used in the prospective payment system for operating costs. As a result, capital costs are already reasonably represented in the relative weights and a set of weights specific to capital costs is unnecessary. We noted that as capital use intensity changes in an individual DRG, future recalibrations would take into consideration such changes and automatically adjust the payment levels.

*Comment:* Since HCFA and the AHA both find the absence of a one-to-one relationship between the case-mix index and capital costs per case, many commenters urge that we adjust the DRG weights used in determining capital payments consistent with this finding.

*Response:* In this final rule, we are using the total cost regression equations to develop the payment adjustments for the capital prospective payment system. We examined a regression equation for total costs per case without constraining the case-mix index coefficient to 1.0 in order to determine the relationship between total cost per case and the case-mix index. In this regression, the coefficient on the case-mix index was 0.9794, with a standard error of 0.0228. The size of the error implies that the coefficient is not significantly different from 1.0. As a result, the one-to-one relationship is maintained, and there is no need to use an intensity adjustment, or some other means of amplifying the case-mix index adjustment.

*Comment:* Several commenters believed that a separate system of diagnosis-related group (DRG) weights is appropriate for the capital prospective payment system. Others believe that the operating weights are appropriate. One commenter supported the use of the operating DRG weights for now, but urged that we study the DRG weights based on combined operating and



capital costs rather than charges. A few commenters opposed any adjustment based on DRG weight.

*Response:* We believe that the current set of DRG weights is appropriate for the capital prospective payment system. These weights are based on total charges, and as such, are appropriate given our decision to develop a unified set of payment adjustments for capital and operating costs. With respect to the recommendation that we develop cost-based weights, we continue to believe that the disadvantages of charge-based weights are compensated for by the fact that for purposes of recalibration, charge data are available on a more timely basis than cost data. In addition, since costs are not accumulated on an individual case basis, DRG by DRG, it is necessary even in developing cost-based weights to link ancillary charge data from the claims file to cost report data as part of the process of estimating the average costs of cases in each DRG. To maintain consistency and to accurately determine relative resource use, charge data for the same period as the cost data should be used in cost-based recalibration. Therefore, both the charge and cost data that would be used would be significantly older than the most recently available charge data, which we can use by itself to obtain DRG relative weights.

We believe that using old data is inappropriate, particularly given the rapid advances in medical technology and resulting changes in treatment patterns. We further believe that it is in the best interest of hospitals and Medicare beneficiaries that the resource use associated with these major new medical advances be reflected in the DRG weights as soon as possible. The use of cost-based weights would significantly delay recognition of new technologies or greatly complicate the recalibration process by necessitating a number of special adjustments to take such new technologies into account. The issue of the inclusion of new technology in the weights is of particular importance for payments received under the capital prospective payment system.

Finally, we disagree with those commenters that opposed any adjustment for the DRG weight. Sections 1886(g)(1)(B) of the Act specifically provides for an adjustment based on the patient's classification. The DRG weight represents the resource use of cases in that DRG relative to other DRGs and is an appropriate adjustment factor for capital prospective payments. The capital cost and total cost regression results as well as the payment

simulations, support such an adjustment.

*Comment:* The DRG weight should be applied only to that portion of the capital payment deemed to be for movable equipment.

*Response:* We disagree with the commenters. Our analysis shows that both fixed and moveable capital costs vary with the case-mix index, and it would therefore be inappropriate to adjust only that portion of the payment that represents moveable equipment for the DRG weight.

b. *Large urban location.* Consistent with the prospective payment system for operating costs, the September 1, 1987 capital final rule provided for separate standardized amounts for hospitals located in urban and rural areas. Subsequently, the Omnibus Budget Reconciliation Act of 1987 (Pub. L. 100-203) provided for a higher update factor for hospitals located in large urban areas than in other urban areas and thereby established three standardized amounts under the prospective payment system for operating costs. Large urban areas are defined as those metropolitan statistical areas (MSAs) with a population of more than 1 million (or New England County metropolitan statistical areas (NECMAs) with a population of more than 970,000). Beginning with discharges on or after April 1, 1988 and continuing to FY 1995, the Congress has also established higher update factors for rural hospitals than for urban hospitals. The differential updates have had the effect of substantially reducing the differential between the rural and other urban standardized amounts. Section 4002(c) of Public Law 101-508 provides for the elimination of the separate standardized amounts for rural and other urban hospitals in FY 1995 by equating the rural standardized amount to the other urban standardized amount. The separate standardized amount for large urban hospitals would continue. Currently, the large urban standardized amount under the prospective payment system for operating costs is 1.6 percent higher than the standardized amount for hospitals located in other urban areas.

Our regression analysis of capital cost data from cost reporting periods beginning in FY 1988 in the proposed rule indicated that large urban and other urban hospitals have higher capital costs, with regression coefficients of .087 and .069 respectively. This analysis implied that the Federal payment rate for large urban and other urban hospitals should be approximately 8.7 percent and 6.9 percent higher,

respectively, than the Federal payment rate for rural hospitals.

To assess the appropriateness of the differentials indicated by the capital cost regression equation, we simulated payments on this basis together with the other payment adjustments that we proposed to use. We compared the payments to FY 1988 capital costs per case to assess what the impact of the prospective payment system would be without a transition policy (that is, if payment were based on 100 percent of the Federal rate) assuming no behavioral changes. We also compared the payment of FY 1988 costs per case after standardizing for the capital age and financing variables and occupancy rates to assess the long-run impact of payment based on 100 percent of the Federal rate.

Under either basis of comparison, we found that we would underpay rural hospitals relative to other hospitals if we were to adopt the differentials indicated by the regression equation. When we simulated a payment system with no payment differential between urban or rural location, we determined that we would underpay large urban hospitals and overpay rural hospitals relative to their actual capital costs per case. We also examined the impact of a 1.6 percent higher payment to large urban hospitals with no distinction between rural and other urban hospitals. This is the same as the differential between large urban and other urban hospitals in the prospective payment for operating costs that will continue after the separate rates for rural and other urban hospitals are phased out. The 1.6 percent also closely approximates the percentage differential between the large urban and other urban payment rate suggested by the difference between the coefficients for large urban and other urban hospitals (that is, .087 and .069) in the regression equation for capital costs per case. We found that the 1.6 percent differential struck a balance between the impact based on actual costs per case and the impact based on standardized capital cost per case, and so we proposed that hospitals in large urban areas would receive a 1.6 percent add-on to the Federal capital rate.

*Comment:* Several commenters opposed the use of an add-on for large urban areas. Others urged that it be larger than proposed, with some of these commenters recommending that we recognize the full urban/rural differential supported by the regression results rather than just implementing a large urban add-on. Finally, some commenters supported the proposed add-on.



*Response:* We are setting the large urban add-on at 3.0 percent in this final rule. The total cost regression equations using the pooled data from cost reporting periods beginning in FY 1988 and FY 1989 indicate that large urban and other urban hospitals have higher total costs, with regression coefficients of 0.1808 and 0.1277 respectively. These results imply that the Federal payment rate should be approximately 18.1 percent higher for large urban hospitals, and 12.8 percent higher for other urban hospitals, compared to the payment to rural hospitals.

To establish the appropriate large urban payment differential, we simulated total payments on the basis of the payment adjustments established in this final rule, but with varying large and other urban payment differentials, and compared these simulated total payments to actual total costs per case from data from cost reporting periods beginning in fiscal year 1989. This comparison shows what payments would have been compared to costs if the wage, disproportionate share and indirect teaching adjustments for capital and operating payments had been based on the levels we are establishing in this final rule. We constrained total payments to the sum of actual operating prospective payments and 100 percent of reasonable costs for capital for cost reporting periods beginning in fiscal year 1989.

Making this comparison, we found that we would underpay rural hospitals relative to other hospitals if we were to adopt the differentials indicated by the regression equations. Moreover, we believe payment differentials of the magnitude suggested by the total cost regression equation would be contrary to the direction taken by Congress in section 4002 of Public Law 101-508 to phase out by fiscal year 1995 the separate standardized amounts for rural and other urban hospitals under the prospective payment system for operating costs.

When we simulated a payment system with no payment differential for hospitals in a large urban location, we determined that these hospitals would be underpaid relative to other urban and rural hospitals. When we simulated a payment system with a 1.6 percent payment differential, equivalent to the differential in the proposed rule, we found that large urban hospitals would still be relatively underpaid. When we simulated a payment system with a payment differential of 5.3 percent, equivalent to the difference between the large urban and other urban regression coefficients, we determined that we

would underpay hospitals in other urban areas relative to other hospitals. We then simulated a payment differential of 3.0 percent for hospitals located in a large urban area, and concluded that this adjustment provided the most appropriate balance between payments to hospitals in the three different geographic locations in that the percentage change from total cost per case for large urban and other urban hospitals is more comparable than in the other simulations. We have summarized these results in the table below. All hospitals are shown by their location for purposes of the operating standardized amount.

PERCENT CHANGE FROM TOTAL COST  
PER CASE

[Capital and Operating Costs]

	18.1 LU, 12.8 OU add- on	5.3 LU add- on	3.0 LU add- on	1.6 LU add- on	No LU add- on
All Hospitals.....	0.0	0.0	0.0	0.0	0.0
Large Urban.....	1.5	0.2	-0.8	-1.5	-2.3
Other Urban.....	-0.4	-2.2	-1.1	-0.4	0.4
Rural.....	-4.9	5.4	6.5	7.3	8.1

Note: Cost per case from cost reporting periods beginning in fiscal year 1989.

LU=Large Urban  
OU=Other Urban

We again note that the simulations in the table are based on the percentage change from total costs per case assuming payments for operating costs and capital costs during cost reporting periods beginning in fiscal year 1989 had been based on the adjustments we are establishing for capital payments in this final rule. With a 3 percent large-urban add-on, the comparable percentage change from actual capital costs per case would have been:

PERCENTAGE CHANGE FROM CAPITAL  
COST PER CASE

Payment location	3 percent large urban add-on
All Hospitals.....	0.0
Large Urban.....	-0.2
Other Urban.....	-2.7
Rural.....	8.5

*Comment:* A few commenters argued that establishing only one Federal capital rate is inadequate and distorts the actual differences among categories of hospitals and their situations. They recommended distinct rates for urban and rural hospitals and regional rates.

*Response:* We do not believe that additional breakdown of the single Federal capital prospective payment rate is necessary or appropriate in light of the geographic adjustments being made on the basis of the wage index and large urban location. As a general policy direction, we are seeking to tailor payment variations to factors that have a demonstrably high predictive value for hospital-specific variables rather than maintain geographic distinctions in a national payment program.

*c. Local cost variation.* In the 1987 final rule, we provided that we would adjust the fixed capital portion of the Federal payment rate by a construction cost index that measured relative output costs (the cost of a finished structure per square foot). Since then, the Center for Health Economics Research under a cooperative agreement with HCFA developed a construction index based on relative input prices (cost per unit of materials and labor). Our capital cost regression analysis indicated that the hospital wage index was a better predictor of capital costs than the revised construction cost index. Moreover, the hospital wage data are more readily available to the public than the proprietary data used to develop the construction cost index. Therefore, we proposed to use the hospital wage index that is applicable to hospitals under the prospective payment system for operating costs to develop the geographic payment adjustment for capital. The wage index we used was described in the September 4, 1990 final rule (55 FR 36035) and in the interim final rule with comment period, which was published in the *Federal Register* on January 7, 1991 (56 FR 568), setting forth changes in the hospital wage index effective January 1, 1991 that were required by section 4002 of Public Law 101-508. Separate wage index values were established for each Metropolitan Statistical Area or New England County Metropolitan Area and for the rural counties within a State. Special rules apply to the wage index applicable to hospitals in certain geographic areas that are deemed to be located in another geographic area under sections 1886 (d)(8) and (d)(10) of the Act. We proposed that the wage index applicable to discharges occurring on or after October 1, 1991 would be based on fiscal year 1988 wage data and stated that it would be set forth in the final rule for the fiscal year 1992 prospective payment rates for operating costs.

As expected, the regression equation results for capital costs indicated that the wage index has a smaller effect on capital costs than it does on operating

costs. The capital regression equation used in the proposed rule indicated that there is a 4.6 percent increase in capital costs per case for every 10 percent increase in the hospital wage index (WI) value. Instead of adjusting a portion of the Federal capital payment by the hospital wage index, we stated that we would develop a geographic adjustment factor consistent with the regression results and apply to the entire Federal capital payment. We stated that it would also reflect the add-on for hospitals located in large urban areas discussed above. In the proposed rule, we calculated the geographic adjustment factor as follows:

#### GEOGRAPHIC ADJUSTMENT FACTOR

Hospital location	Formula
Rural and Other Urban Areas.....	WI. <sup>46</sup>
Large Urban Areas.....	(1.016)(WI). <sup>49</sup>

The September 1, 1987 capital final rule provided that a cost-of-living adjustment would be made to the moveable equipment portion of the Federal capital payment for hospitals located in Alaska and Hawaii. This adjustment paralleled the cost-of-living adjustment that is made to the nonlabor-related portion of the prospective payment for operating costs. In the proposed rule, we examined the fiscal year 1988 capital costs per case of hospitals located in Alaska and Hawaii and concluded that there did not appear to be a systematic difference in capital costs per case that would distinguish the Alaska and Hawaii hospitals from other hospitals. Therefore, we did not propose to make an additional payment adjustment for hospitals located in these two States.

*Comment:* Many commenters were confused as to the form of the geographic adjustment factor. As a result, several commenters advocated devising a specific labor share, rather than using the exponential form for the adjustment. Other commenters advocated the use of a geographic adjustment only on the fixed portion of capital, arguing that moveable equipment is purchased or leased through a national market. One commenter urged that we use the wage index itself, arguing that the geometric form of the adjustment lessens the difference between extreme wage index values.

*Response:* The geographic adjustment factor in this final rule has been developed using the total cost regressions and represents the effect on total costs of differences in geographic

location. Because the adjustment is now based on total costs, the adjustment is larger than in the proposed rule. This adjustment will increase a hospital's Federal rate by approximately 6.8 percent for every 10 percent increase in the hospital wage index value. The exponential form of the geographic adjustment factor is used in order to apply one factor to the whole capital payment, rather than forming labor and nonlabor shares. When the wage index is raised to the .6848 power, it has the effect, on average, of adjusting 68.48 percent of the Federal rate by the wage index.

It is true that the exponential form of the geographic adjustment factor does somewhat modify the contrast between the highest and the lowest wage index values, but we believe that the exponential form of the adjustment is appropriate. We will, however, continue to study alternative specifications of the adjustments.

*Comment:* Several commenters urged modifications of the geographic adjustment factor. One commenter urged that the wage index value be adjusted for variations in occupational mix before it was used in the geographic adjustment factor. Three commenters urged that we split large urban MSAs into core urban areas and ring suburban areas. One commenter suggested that we adopt the ProPAC labor market definitions. Other commenters urged that we use a geographic adjustment factor defined only at the regional level. Finally, many commenters urged that we develop one geographic adjustment factor value for each State, based on the urban areas in the State. They argued that specialized construction crews from the nearest city are necessary whenever any major construction is undertaken, even for hospitals in rural areas.

*Response:* We are continuing to study possible refinements to the hospital wage index, both as to the labor market area definitions and as to the occupational mix adjustment. We have stated (most recently in the proposed prospective payment rule, at 56 FR 25192) that we do not believe that it is appropriate at this time to implement an occupational mix adjustment.

In examining both the regression equations and the payment simulations, we see no indication that any broader definition of labor markets, such as the urban areas of the Regions and the States, is warranted. Rural hospitals would be the primary beneficiaries of such a change, and these hospitals currently do well in our payment simulations. In addition, since the system is budget neutral, the extra

money paid to rural hospitals as a result of the suggested change to the labor market definitions would result in a lower Federal rate. We note that the wage index reclassifications by the Medicare Geographic Classification Review Board will be of assistance to many rural hospitals.

Finally, we do not believe that any changes to the labor market definitions used for purposes of the wage index and the geographic adjustment factor are warranted at this time. In the past, we have analyzed different labor market configurations and have been unable to identify an alternative labor market definition that would result in a considerably more accurate system. However, we recognize that the current system does have shortcomings. Therefore, we are continuing to examine this issue in conjunction with an evaluation of the appropriateness of the guidelines applicable to decisions by the Medicare Geographic Classification Review Board and our analysis on the impact of the elimination of separate urban and rural payment rates required under section 6003(i) of Public Law 101-239. We will study the effect of any such refinements in the labor market definitions on capital payments as well as operating payments.

*Comments:* Several commenters are concerned about the relation between changes in the wage index and resulting changes in the geographic adjustment factor. Many of these commenters are opposed to the geographic adjustment factor for this reason, stating that the wage index could change for an area due to different survey data, or just due to corrections in the current data, while no change in the cost of capital has occurred. Other commenters urged that the geographic adjustment factor change whenever the wage index changes, because that would reflect the most recent data available regarding geographic differences in capital costs.

*Response:* We agree that it is appropriate for the geographic adjustment factor to reflect the most recent data available. While it is true that the wage index values will change every year, due to corrections during the fiscal year, due to the annual updates of the data collected for the wage index beginning in the fiscal year 1994 and thereafter, and due to future reclassifications by the MGRB, we believe that these updated data provide the most accurate picture of the differing wage costs across geographic areas. We believe the use of the wage index value is even more appropriate now that the geographic adjustment factor is based on the total cost regression equation and

represents the appropriate adjustment factor for combined operating-capital costs. We also note that even if costs for existing capital may not be sensitive to changes in the wage index, new capital acquisitions should properly be adjusted using the most recent data available on geographic cost differences. For hospitals that will be saving their payments for future capital acquisitions, use of the most recent data is also appropriate. Thus, in this final rule, the geographic adjustment factor values are based on the hospital wage index values effective for discharges occurring on or after October 1, 1991 that are published elsewhere in this issue of the **Federal Register** as part of the final notice of fiscal year 1992 rates under the prospective payment system for operating costs. We are also providing in this final rule that we will apply an adjustment to the hospital wage index values in future years for the purpose of their use in determining capital payments so that future wage index changes do not increase or decrease total capital payments. A similar requirement applies to the use of the wage index in calculating operating payments.

**Comments:** A large number of commenters are opposed to any adjustment for geographic variation in capital costs. Others supported the adjustment as proposed.

**Response:** Our regression analysis and our payment simulations both show strong evidence supporting an adjustment for geographic variation in capital costs. We have found that there exists a significant difference in both total and capital cost per case among hospitals which is attributable to their geographic location. It would be inappropriate to ignore this difference. Further, our payment simulations show that, in the absence of an adjustment for geographic location, rural hospitals are overpaid relative to urban hospitals for their capital costs. For both of these reasons, we continue to believe that the adjustment for geographic location is appropriate.

**Comment:** Many commenters questioned the use of the hospital wage index value, rather than the construction cost index value. These commenters believe that there is no theoretical reason supporting the use of the hospital wage index value, whether it is correlated with capital costs or not. Other commenters believed that the construction cost index value would better recognize the extra costs of complying with the life and safety codes of their State, and the new seismic standards recently promulgated in

California. Finally, several commenters called for the publication of the construction cost index values, so that they could compare the construction cost index values and wage index values directly.

**Response:** We continue to believe that it is more appropriate to base the geographic adjustment factor on the hospital wage index value. While the construction cost index does explain variation in capital costs per case, the construction cost index in the total cost per case equation has a coefficient that is negative and not statistically significant. In other words, the construction cost index does not add any explanatory power when the wage index is also used. Because the payment adjustments established in this final rule are those supported by the total cost regressions, we believe that it is appropriate to base the geographic adjustment factor on the hospital wage index. Further, even if the construction cost index was significant in the total cost regression equation, it is not clear that using a different geographic adjustment factor for capital costs than for operating costs would be appropriate given our long-run objective of establishing a unified set of payment adjustments.

We are not publishing the construction cost index developed by the Center for Health Economics after the 1987 rule because, as indicated in the proposed rule, the index (Report No. PB-89-191) is available from the National Technical Information Services (NTIS), 5285 Port Royal Road, Springfield, VA 22161. Since this construction cost index is based on relative input prices, it would not, as some commenters assumed, capture geographic differences in building code requirements that may affect relative output costs, such as the seismic safety standards for California and Hawaii or life safety codes.

While we believe that the hospital wage index is the most appropriate basis for the geographic adjustment factor that is currently available, we agree with the commenters that this is an important issue that warrants further examination in the future in conjunction with the review of labor market areas.

**Comment:** A commenter asked that we clarify which geographic adjustment factor value will be used for a multi-campus hospital, which has campuses in two labor market areas.

**Response:** As is the case with all other hospitals, the hospital wage index that is applicable to the campus will determine the geographic adjustment factor applicable to the capital payment

to that campus. Under the prospective payment system for operating costs, a multi-campus hospital with both campuses located in the same type of labor market area (that is, large urban, other urban, or rural) receives the wage index applicable to the campus that treats the majority of the hospital's Medicare patients. If the campuses cover two types of labor market areas, however, each discharge is paid using the wage index value appropriate to the labor market in which the campus of the hospital is located. The treatment of multi-campus hospitals would be the same for the geographic adjustment factor as it is for the wage index.

**Comment:** Many commenters requested clarification regarding the role of geographic classification by the Medicare Geographic Classification Review Board (MGCRRB) in the determination of the geographic adjustment factor value applied to a hospital.

**Response:** For every hospital, the wage index value that is used for operating prospective payment purposes will be used as the basis of the geographic adjustment factor. Thus, if a hospital has been reclassified to another labor market area, the geographic adjustment factor will be based on the wage index value of the area to which the hospital is reclassified. Similarly, a hospital that has been reclassified to a large urban area for the purposes of the standardized amount will receive the large urban add-on because that hospital is considered to be a large urban hospital for all purposes other than the wage index (and geographic adjustment factor) unless the hospital has also been reclassified to the large urban area for wage index purposes. Because some hospitals may have been reclassified for use of the wage index, but not for the large urban add-on, and vice versa, the geographic adjustment factor tables do not include the large urban add-on as was done in the proposed rule. The geographic adjustment factor values as displayed show only the wage index value for the group, raised to the .6848 power. The large urban add-on will be applied separately by the PRICER program.

**Comment:** A commenter asserted that the data used to examine the use of a cost of living adjustment (COLA) for hospitals in Hawaii is flawed. The commenter was also concerned about the use of the median capital cost, rather than the mean capital cost when comparing Alaska and Hawaii to the contiguous 48 States.

**Response:** We examined the total costs per case for Alaska and Hawaii

hospitals in our total cost regression analysis. When we added dummy variables for Alaska and Hawaii to the total cost per case regression equations, we found that the costs in these States are significantly higher than the national average. As a result, we are establishing a COLA for capital payments that is a function of the COLA currently paid on operating payments under the prospective payment system. Since the operating COLA is applied only to the nonlabor share for operating payments, we are providing that the COLA for capital payments will be based, in effect, on the portion of capital payments that is not adjusted by the wage index. That is, the capital COLA will take the form of  $(.3152 \times (1 - \text{the operating COLA}) + 1)$ , where .3152 is 1 - the wage index exponent for the geographic adjustment factor (.6848). In this manner, we will adjust approximately 31.5 percent of the capital payment by the COLA, consistent with our estimate of the appropriate national average nonlabor share from the total regressions. Since the COLA adopted for operating prospective payment system is based on Office of Personnel Management provisions for cost of living adjustments for Alaska and Hawaii, we are using it as the basis of the COLA for capital prospective payments. We believe that it is appropriate to confirm that a cost of living adjustment is warranted for Alaska and Hawaii using the regression results, and to use the level of cost-of-living adjustment recognized for a variety of government purposes, including the operating cost adjustment.

**Example:** Under the operating prospective payment system, the COLA for hospitals located in Alaska is 1.25. The COLA under the capital prospective payment system equals 1.0788  $((.3152 \times .25) + 1)$  and will be applied to the entire capital payment.

**Comment:** Several commenters are concerned that the proposed rule did not contain any adjustment for hospitals in California that face strict seismic safety building codes. One of these commenters advocated a cost of living adjustment for California and Oregon, based on the added cost of construction due to the seismic safety codes.

**Response:** There are a variety of factors that influence a hospital's capital costs, including seismic safety building standards. In other areas of the country, for example, extreme heat and extreme cold weather affect the cost of construction. It would be inappropriate to single out California and Oregon for an add-on to the geographic adjustment factor, when other areas could argue

that some special consideration makes the hospitals in those areas deserving of an adjustment to their geographic adjustment factor.

In our analysis of possible adjustments for Alaska and Hawaii, we also compared total costs per case, after controlling for the payment variables, to the national average cost per case, for California and Oregon. That is, we ran the regression equations using dummy variables for California and Oregon. In that analysis, we found that California and Oregon did not have total costs per case appreciably different from the national average. In fact, the coefficients for the dummy variables for the States, while not statistically significant, were close to 0.0 (for California) or negative (for Oregon). That is, the payment adjustments more than adequately compensate for any higher costs experienced by California and Oregon hospitals. As a result, we do not see any need to adjust payments to California and Oregon hospitals at this time. However, since the seismic safety codes are relatively new, and their impact is not reflected in the fiscal year 1989 cost reports, we will continue to monitor this issue.

**d. Disproportionate share of low income patients.** In the proposed rule, our regression results indicated that for urban hospitals with more than 100 beds, the disproportionate share percentage of low income patients has an effect on capital costs per case. We proposed that urban hospitals with 100 or more beds would receive an additional payment equal to  $((1 + \text{DSHP})^{0.4176} - 1)$ , where DSHP is the disproportionate share patient percentage. There would be no minimum disproportionate share patient percentage required to qualify for the payment adjustment. A hospital would receive approximately a 4.2 percent increase in payments for each 10 percent increase in its disproportionate share percentage. This formula is similar to the one used for the indirect medical education adjustment under the operating prospective payment system.

Since we did not find a disproportionate share effect on the capital costs of urban hospitals with fewer than 100 beds or on rural hospitals, we did not propose to make a disproportionate share adjustment to the capital payment to these hospitals.

**Comment:** Commenters noted that rural hospitals with at least 500 beds are treated as urban hospitals with at least 100 beds for the purposes of disproportionate share hospital (DSH) payments under the operating prospective payment system, and argued

that these hospitals should be treated as such under prospective payment for inpatient capital-related costs as well. They also noted that there is another special class of disproportionate share hospital under the operating prospective payment system that should be recognized for a capital prospective payment system disproportionate share adjustment. Under section 1886(d)(5)(F)(i)(II) of the Act, a hospital may qualify for a year-end disproportionate share adjustment if it can demonstrate that it is an urban hospital with at least 100 beds and at least 30 percent of its total inpatient revenues were from State or local government sources for the care of indigent patients who are not covered by Medicare and Medicaid.

**Response:** As part of our regression analysis for this final rule, we examined the relationship between total cost per case and disproportionate share patient percentages for rural hospitals with at least 500 beds, and found no statistically significant relationship. As a result, we are not implementing any disproportionate share adjustment to prospective payments for capital for these hospitals. Hospitals that qualify for additional operating disproportionate share payments under section 1886(d)(5)(F)(i)(II) of the Act will be deemed to have a disproportionate patient percentage equivalent to that which would generate their operating disproportionate share payment, using the formula for urban hospitals with at least 100 beds. For discharges occurring on or after October 1, 1991, these hospitals qualify for an operating adjustment of 35 percent, which is equivalent to having a disproportionate share patient percentage of 65.4. Urban hospitals with more than 100 beds that qualify for additional operating disproportionate share payments under section 1886(d)(5)(F)(i)(II) of the Act will be deemed to qualify for additional capital disproportionate share payments as well at the level consistent with their deemed disproportionate share patient percentage. The disproportionate share adjustment factor for these hospitals is 14.16 percent. The additional capital disproportionate share payments to these hospitals will be made at the same time that the additional operating disproportionate share payments are, that is, as the result of the application by these hospitals for payments under § 412.106(b)(1)(ii) of the regulations.

**Comment:** Several commenters urged that we add classes of hospitals to those that we proposed would be eligible for disproportionate share payments under the prospective payment system for

inpatient capital-related costs. These recommended classes include: All small urban hospitals, hospitals with high Medicare usage, rural hospitals, rural hospitals with at least 100 beds, rural referral centers, or those hospitals with high "total government" usage (defined as Medicare, Medicaid and CHAMPUS patients). Others urged that we recognize all hospitals that receive operating disproportionate share payments for capital payments. Other commenters urged that we use the operating disproportionate share adjustment eligibility criteria and payment formulas, rather than a specific adjustment for capital. One commenter asked that we clarify that the capital disproportionate share adjustment is subject to different eligibility criteria than the operating adjustment. One commenter supported the disproportionate share adjustment as proposed.

**Response:** In developing the capital disproportionate share adjustment for this final rule, we examined the relationship between the disproportionate share patient percentage and total costs per case for each class of hospital that is currently receiving an operating payment adjustment. We believe that only those hospitals that merit the adjustment according to our regression analysis should receive additional capital payments for serving low income patients. The regression results did not indicate any significant relationship between total costs per case and disproportionate share patient percentage for any of the special groups mentioned above. We found for the group of hospitals that do merit the adjustment that their total costs per case increase approximately 2.0 percentage points for each .10 increase in their disproportionate share patient ratio (DSHP). Therefore, we are proposing a disproportionate share adjustment that will increase payments by this amount. The formula is specified as  $(e^{.2025 \times \text{DSHP}} - 1)$  where  $e$  is the natural antilog of 1.

The disproportionate share variable used in the total cost regression equation differs from that used in the regression equations for the proposed rule. In the proposed rule, the variable was in logarithmic form of  $(1 + \text{DSHP})$ , where DSHP is the disproportionate patient percentage. This specification was used in the regression equations in order to avoid taking the logarithm of 0, which is undefined. However, it has been shown that this specification of a variable biases the coefficient estimate for the disproportionate share variable.

In particular, this specification overstates the effect on costs for hospitals with a low disproportionate share patient percentage. This is of particular importance since we are not establishing a threshold patient percentage in this final rule. As an alternative, we specified the variable as follows for the final rule: A dummy variable for urban hospitals with at least 100 beds times the patient percentage. In other words, the variable will equal the disproportionate share patient percentage for urban hospitals with at least 100 beds, and 0 for all other hospitals. This specification will not just isolate an urban effect because of the separate large and other urban dummy variables in the regressions. The adjustment that is implied by this specification of the variables is:  $(e \text{ to the power of } (\text{DSHP} \times \text{the regression coefficient}) - 1)$ . The number  $e$  is the basis of natural logarithms, and is the natural antilog of 1.

The disproportionate share adjustment factor in the final rule is smaller than the factor in the proposed rule for several reasons. First, as discussed above, we have improved our data set in a variety of ways, in order to look at pooled data, and base the regressions on total costs per case. Second, we have added a teaching variable in this final rule. Changing the specification of the disproportionate share variable does not have very much effect on the size of the coefficient, but does affect the distribution of disproportionate share payments, as discussed in the table below.

The table below presents a summary of the changes in the disproportionate share adjustment between the NPRM and this final rule:

COMPARISON OF DSH ADJUSTMENT

	NPRM	Final
Variable Form in the Regression.	$1n(1 + \text{DSHP}) \dots\dots\dots$	(Urban, 100 bed dummy) $\times$ DSHP
Regression Coefficient.	0.4176 $\dots\dots\dots$	0.2025
Payment Formula.	$(1 + \text{DSHP})^{.4176} - 1$	$e^{(.2025 \times \text{DSHP})} - 1$

The formulation of the disproportionate share payment formula implies a different level of payments for a given coefficient, and a different relationship between payment adjustments for different patient percentages. In particular, the new formulation will increase payments to hospitals with high disproportionate

share patient percentages relative to the old formula, and will lower payments to hospitals with low disproportionate patient percentages, relative to the old formulation. We present an example using the adjustment level in the final rule and a hypothetical adjustment level with the old formulation. The hypothetical adjustment level was chosen so that the two methodologies produce the same payment adjustment for a hospital with a DSH patient percentage of 20.2 percent. The example illustrates the different relationships between changes in the disproportionate share patient percentage and changes in the adjustment factors under the two methodologies. For example, if the coefficient under the NPRM form of the variable were 0.2221, and the coefficient under the final rule form of the variable is 0.2025, the payments for various patient percentages would be as follows:

DSHP	$(1 + \text{DSHP})^{.2221} - 1$	$e^{.2025 \times \text{DSHP}} - 1$
0.10	0.0214 $\dots\dots\dots$	0.0205
0.20	0.0413 $\dots\dots\dots$	0.0413
0.30	0.0600 $\dots\dots\dots$	0.0626
0.50	0.0942 $\dots\dots\dots$	0.1066
0.70	0.1251 $\dots\dots\dots$	0.1523

At a patient percentage of 0.20, the adjustments are equal. For patient percentages below 0.20, the adjustment is smaller using the specification for the final rule, but for percentages over 0.2, the final rule specification provides a larger adjustment.

**Comment:** One commenter argued that the definition of disproportionate share hospitals used under the operating prospective payment system does not always recognize those hospitals with a high degree of uncompensated care. Another commenter advocated recognition of Medicare patients that are also covered by Medicaid.

**Response:** The formula for calculating the disproportionate patient percentage is set forth in section 1886(d)(5)(F)(vi) of the Act, and is intended to represent a proxy of low income care, rather than a perfect reflection of uncompensated care. In addition, section 1886(d)(5)(F)(i)(II) of the Act recognizes those hospitals that perform a great deal of charity care using non-Medicaid State and local government revenue. Uncompensated care as a whole includes bad debts, which is too broad a category (including, for instance, nonpayment of copayments by insured patients) to be used to determine a disproportionate share adjustment. As a result, we believe that the disproportionate share patient percentage as defined by the Act is

appropriate for use as a proxy for the care of low income patients.

*Comment:* Several commenters urged that we develop a threshold disproportionate share patient percentage that a hospital will have to meet before it will be eligible to receive capital disproportionate share payments. These commenters believe that the threshold will more appropriately concentrate disproportionate share payments to those hospitals that truly serve a disproportionate share of low income patients. Other commenters urged that a more generous disproportionate share payment formula be applied to those hospitals with a disproportionate share patient percentage over 20.2 percent, the threshold at which operating disproportionate share payments become more generous.

*Response:* We examined closely the possibility of using a disproportionate share patient percentage threshold in our total cost regression analysis. We were unable to find any threshold level of disproportionate share percentage below which no payment adjustment was merited, or a threshold above which a higher adjustment was merited. As a result, we believe that it is most equitable to make a capital disproportionate share payment to all qualifying hospitals with a positive patient percentage, rather than penalize some hospitals that have a higher cost of treating low income patients but whose patient percentage is below the artificial level we would set.

*Comment:* Two commenters asked that we clarify the definition of Medicaid days used in part of the disproportionate share patient percentage calculation. They argued that total Medicaid days should be used because the definition of Medicaid covered days varies depending on the State in which treatment occurs.

*Response:* We believe it was the intent of Congress in enacting section 1886(d)(5)(F)(vi)(II) of the Act to include only patient days for which the Medicaid recipient was eligible to have his or her care paid for by the Medicaid program in the determination of the disproportionate share patient percentage, as provided in the September 3, 1986 *Federal Register* (at 51 FR 31460) which first implemented the disproportionate share adjustment. We believe it is reasonable to assume that Congress anticipated that the Medicare cost report would serve as the primary source for Medicaid patient day statistics, and that it is appropriate to define Medicaid days consistent with the method that we require for reporting those days on the cost report. This is

also consistent with our method for counting Medicare patient days in the Medicare portion of the disproportionate share calculation. In addition, we believe this interpretation, that only Medicaid covered days should be counted, is consistent with the statutory scheme as a whole, since the formula in section 1886(d)(5)(F)(vi) of the Act does not purport to identify all indigent patients. Rather, it refers to certain Medicare and Medicaid patients as an objectively determined proxy for the indigent. Thus, under any reading of the statute, it is not expected that all indigent patients would be included in the formula. A Medicaid eligible recipient who has exhausted his or her benefits is similar to the indigent patient who is not eligible for Medicaid at all, and so it is logical to treat each in the same manner for the purpose of determining the disproportionate patient percentage.

*Comment:* One commenter opposed any adjustment for disproportionate share hospitals, stating that assistance to these hospitals should be funded through the Medicaid program, if at all.

*Response:* We disagree with the commenter. The regression analyses show that serving low income patients (as defined in section 1886(d)(5)(F)(vi) of the Act) results in higher Medicare capital and total costs per case for urban hospitals with at least 100 beds. We believe that it is appropriate for Medicare's payment to recognize these higher Medicare patient care costs.

*Comment:* Many commenters sought clarification of the effect of reclassification by the Medicare Geographic Classification Review Board (MGCRB) on eligibility for capital disproportionate share payments.

*Response:* Any hospital that is reclassified to an urban area by the MGCRB for purposes of its standardized amount is considered to be urban for all prospective payment purposes other than the wage index. As such, if any hospital reclassified by the MGCRB to an urban area for purposes of the standardized amount has at least 100 beds, it would be eligible for capital disproportionate share payments. We note that a rural hospital reclassified for purposes of the wage index only is still considered a rural hospital, and as such, will not be eligible for capital disproportionate share payments.

*Comment:* Several commenters sought clarification of the role of audit and cost report adjustments in determining capital disproportionate share hospital payments.

*Response:* The disproportionate share payments that are made during a cost reporting period represent an interim

payment, based on the Medicare intermediary's best estimate of the disproportionate share patient percentages and the hospital's bed size (number of beds). At final settlement of the cost report, the actual patient percentages and bed size are used by the intermediary to determine the final disproportionate share adjustment. Thus, the patient percentage and, therefore, the disproportionate share adjustment amount is subject to audit and retroactive adjustment.

If the hospital prefers, it may request that HCFA use its cost reporting period rather than the Federal fiscal year to determine the SSI patient percentage (defined at § 412.106 (b)(2) and (b)(3)). If the hospital requests this recalculation, this SSI percentage will be used, whether it is lower or higher than the SSI percentage calculated using the Federal fiscal year. The Medicaid patient percentage (defined at § 412.106(b)(4)) is calculated based on the hospital's cost reporting period, as is the hospital's bed size.

*Comment:* One commenter asked for clarification regarding the determination of the 100 bed threshold for qualification for capital disproportionate share payments.

*Response:* Determination of the number of beds for the purposes of the capital disproportionate share adjustment will be the same as the determination of the number of beds for the disproportionate share adjustment and for the indirect teaching adjustment under the prospective payment system for operating costs, in accordance with redesignated § 412.105(b). That is, the number of beds is determined by counting the number of available bed days during the cost reporting period, not including beds assigned to newborns, custodial care, and excluded distinct-part units, and dividing that number by the number of days in the cost reporting period. In this manner, the average number of beds over the course of the cost reporting period is determined. This methodology will be used to determine which urban hospitals have at least 100 beds, in order to qualify for disproportionate share payments under the capital prospective payment system.

*e. Indirect medical education.* We did not propose an adjustment for the indirect costs of medical education because the results of our fully specified capital cost regressions indicated that the teaching variable was negative and statistically significant. The negative coefficient indicated that the other payment variables more than fully account for the higher capital costs of



teaching hospitals and that a payment adjustment for teaching activity was not warranted.

*Comment:* A large number of commenters supported an adjustment for the indirect capital costs associated with medical education. These commenters stated that teaching hospitals are on the forefront of new technology, and as such merit higher capital payments than nonteaching hospitals. One commenter opposed any teaching adjustment, and another supported any adjustment that is found in the regression equations, including a negative adjustment, if appropriate.

*Response:* In this final rule, we are establishing an adjustment for indirect medical education costs based on the results of the total cost regression analysis. The regression equation uses the ratio of interns and residents to average daily census (defined as total inpatient days divided by the number of days in the cost reporting period) rather than the ratio of interns and residents to beds as the measure of teaching intensity. Although currently section 1886(d)(5)(B) of the Act requires the use of the ratio of residents to beds to calculate the indirect medical education adjustment for the operating prospective payment system, we have submitted a legislative proposal as part of the President's FY 1992 budget to use average daily census instead. For payments under the capital prospective payment system, the Secretary has the latitude to institute the resident-to-day ratio for adjusting capital payments.

We are using the resident-to-day ratio because it is a more appropriate method for measuring teaching intensity. Residency programs are primarily intended to provide participants the experience of treating patients in a supervised setting. Therefore, the indirect operating costs stemming from teaching programs should be more closely related to the numerical relationship between residents and patients rather than the relationship between residents and beds. Therefore, one would expect the indirect graduate medical education cost experiences of two hospitals with the same ratios of residents to occupied beds but different ratios of residents to available beds to be more similar than a situation where this relationship is reversed. This expectation has been borne out by our analysis which found a smaller standard error (the variance of the coefficient) and a slightly larger t-statistic (an indicator of the significance of the independent variable as an explainer of the dependent variable) when the resident-to-day ratio is used to estimate

the effect rather than the resident-to-bed ratio.

We are also concerned about the potential for manipulation of the number of beds in order to maximize the amount of the adjustment. It is not apparent that a hospital's teaching costs would increase as unused beds are taken out of service. This problem of manipulation of the ratio is compounded by the administrative complexities involved with trying to identify and count available beds. The General Accounting Office recently released a report on the identified weaknesses in data used to calculate the indirect medical education adjustment (report number GAO/IMTEC-91-31). The study indicates that problems exist regarding the uniform application of our bed counting policies. While the final version of the report does not include a recommendation to adopt average daily census since this was part of the FY 1992 budget proposal, it does refer to average daily census as a "verifiable" statistic compared to beds.

The teaching adjustment factor will increase by approximately 2.8 percentage points for each .10 increase in the hospital's ratio of residents to average daily census. The teaching adjustment for inpatient capital-related costs for hospital paid under the prospective payment system will take the form of  $[e \text{ raised to the power } (.2822 \times \text{ratio of interns and residents to average daily census}) - 1]$  where  $e$  is the natural antilog of 1, based on the total cost regression results. This specification is similar to that used for the disproportionate share adjustment discussed above. That is, the variable in the regression equations was specified as a dummy variable for teaching hospitals times the ratio of interns and residents to average daily census. Using the form of the indirect medical education adjustment for operating payments, we would have used a variable of the form  $1n(1 + \text{interns and residents to daily average census})$ . In using the logarithmic form of the variable, it is necessary to add a constant to the ratio in order to avoid taking the natural log of 0, which is undefined. However, the regression coefficients are extremely sensitive to the constant used, in particular because so many hospitals have a ratio of 0.

We note that the level of the adjustment is based on the total cost regression equation. However, the capital cost regression, using the combined data from cost reporting periods beginning in FY 1988 and FY 1989 and the modified age and financing variables, also shows a positive and significant relationship between capital

costs per case and the indirect costs of medical education when the ratio of residents to average daily census is used as the measure of teaching intensity.

*Comment:* Two commenters believe that capital costs related to teaching are already considered in the payments for operating costs for both direct and indirect costs of medical education and that there may be duplicate payments for educational activities.

*Response:* We disagree with the commenters with respect to the indirect costs of medical education. The indirect teaching adjustment under the operating prospective payment system is designed to represent the additional operating costs associated with teaching activity. It does not include any factor for higher capital costs since, prior to cost reporting periods beginning October 1, 1991, the capital costs have been payable on a reasonable cost basis. While the indirect teaching adjustment for capital costs that we are establishing in this final rule is based on the total cost regression analysis, adjusting capital payments by this factor will pay only the capital prospective payment system share of the indirect costs of medical education. Capital-related costs directly attributable to graduate medical education are classified as direct graduate medical education costs and included in the per resident amounts. These costs are not included in the capital-related costs used to establish the Federal rate or the payment adjustments. Further, the direct graduate medical education costs are removed from the costs used in the total cost regression equation. That is, the total cost regression equation includes only inpatient operating and capital costs and does not include the costs of graduate medical education.

*Comment:* One commenter asked that we assure that there will be no cuts in payments for the costs of medical education, both direct and indirect.

*Response:* The level of both indirect medical education payments for the operating prospective payment system and graduate medical education payments are set in the Act, and we cannot reduce the level of these payments without Congressional action.

#### Step 3—Standard Federal Payment Rate

When the prospective payment system for operating costs was established, the 1981 operating costs per case were standardized for the payment adjustments (other than outliers). "Standardization" involves dividing each hospital's cost per discharge by a factor that incorporates the payment adjustments for each individual hospital.



This adjustment is made prior to computing the average cost per discharge for each hospital. This, in turn, is used to compute the basic payment rate, or standardized amount. Standardization was previously thought to be necessary to establish a basic payment rate for each payment group (regional, urban, or rural) that could then be adjusted up or down for individual hospitals based on their respective payment adjustments. We no longer believe standardization is necessary to determine the basic payment rate. Instead, it is possible to determine by formula a standard payment rate that, after applying the payment adjustments, will result in the desired level of aggregate payments.

In the September 1, 1987 capital final rule, we standardized each hospital's capital costs per discharge for the payment adjustments and computed standardized amounts for capital. In the proposed rule, to simplify the rate construction process and better assure that the appropriate budgetary effects of future payment adjustment formula changes are realized, we determined by formula a standard payment rate that, after taking into account the payment adjustments discussed in Step 2 above, would result in aggregate payments equal to aggregate FY 1992 Medicare inpatient capital costs.

To calculate the standard Federal payment rate before adjusting for outlier and exception payments and budget neutrality, we applied the payment adjustments to the updated base-year national average capital cost per case. In applying the payment adjustments, we used the most recent hospital-specific data available for case mix and disproportionate share patient percentage. We trended each hospital's case mix forward to FY 1992 by assuming a 2 percent annual increase in case mix. The case-mix index has risen steadily since the advent of the prospective payment system for operating costs. If we did not recognize the case mix increase in our calculation, the standard payment rate would be inflated and FY 1992 payments would exceed predicted levels. We based the level of the geographic adjustment factor on the hospital wage index that is effective for discharges occurring on or after January 1, 1991. For each hospital, we applied the payment adjustments (case mix, disproportionate share, and geographic adjustment factor) applicable for that hospital to the FY 1992 national average capital cost per case and multiplied by the number of discharges for the hospital. We added the results to determine aggregate

payments based on the national average cost per case and the payment adjustments. We determined that the ratio of estimated FY 1992 Medicare capital costs to the aggregate payments based on the national average cost per case and the payment adjustments was 0.7028. Therefore, we multiplied the national average cost per case by 0.7028 to determine the standard Federal payment rate. We made this adjustment in lieu of standardizing each hospital's capital cost per case and determining a national standardized amount. Prior to making the adjustments for exceptions and budget neutrality, aggregate payments based on the standard Federal payment rate and the payment adjustments will equal estimated FY 1992 Medicare capital costs.

*Comment:* Several commenters requested clarification about the method used to reduce the Federal rate to standardize for the payment adjustments. There is concern about the accuracy of the reduction as well.

*Response:* As we stated in the proposed rule, one objective in establishing the Federal rate is to make total payments using the Federal rate (FR) with payment adjustments (ADJ) equal to what total payments would be using the national capital cost per case (CPC) without any payment adjustment. This can be expressed by the following equation:

$$\begin{aligned} \text{SUM}(\text{FR} \times \text{ADJ}_i \times \text{CASES}_i) \\ = \text{SUM}(\text{CPC} \times \text{CASES}_i), \end{aligned}$$

where the sum is computed over all hospitals.

Solving this equation for the Federal rate shows that the national cost per case needs to be reduced by the ratio:

$$\text{FR} = \text{CPC} \times \frac{\text{Sum}(\text{Cases}_i)}{\text{Sum}(\text{Adj}_i \times \text{Cases}_i)}$$

Where  $\text{ADJ}_i = \text{CMI}_i \times \text{GAF}_i \times (1 + \text{DSH}_i + \text{TC H}_i)$ ,  $\text{GAF}_i$  = geographic adjustment factor (if applicable, the large urban add-on and cost-of-living adjustment),  $\text{DSH}_i$  = the capital disproportionate share adjustment and  $\text{IME}_i$  = the capital indirect medical education adjustment.

For this final rule, we used our best estimates of what each variable will be in FY 1992. FY 1990 MEDPAR cases are used for both case counts and the case-mix index values. We trended the FY 1990 case-mix values forward to FY 1992 by assuming a 2 percent annual increase in case-mix. The most recent available data were used in calculating the adjustments for the wage index, indirect teaching, and low-income patients. The ratio of estimated FY 1992 capital costs to the aggregate payments based on the national average cost per case and the

payment adjustments was 0.6649. Therefore, we multiplied the national average cost per case by 0.6649 to determine the standard payment rate.

#### Step 4—Additional Payment for Outlier Cases

Under the prospective payment system for operating costs, the standardized amounts are reduced by 5.0 to 6.0 percent to pay additional amounts for extraordinarily costly or long length of stay cases. Section 1886(d)(5)(A)(iv) and section 1886(d)(9)(D)(i) of the Act direct that outlier payments under the prospective payment system for inpatient operating costs may not be less than 5.0 percent nor more than 6.0 percent of total payments projected to be made based on the prospective payment rates in any year. Section 1886(d)(3)(B) of the Act requires that the standardized amounts be reduced by the proportion of estimated total DRG payments attributable to estimated outlier payments computed separately for urban and rural hospitals.

Our regression analysis results indicate that hospitals with higher proportions of outlier payments have higher capital costs. Therefore, we proposed to provide for additional payments to be made for extraordinarily costly or atypically long length of stay cases. We proposed to amend the current outlier policy in 42 CFR part 412, subpart F to include capital payments for outlier cases.

We believe that it is appropriate to establish a unified outlier payment methodology for operating and capital costs. Thus, we proposed to establish a single set of thresholds that would be used to identify outlier cases for both operating and capital payments, and we proposed to make the percentage reduction in the standard capital payment rates for the estimated value of outlier payments the same as the aggregate percentage reduction in the operating standardized amounts. In the proposed rule, we assumed 5.1 percent of total Federal capital payments would be for outlier payments (consistent with the outlier payment percentages in the September 4, 1990 prospective payment final rule) and reduced the proposed Federal rate accordingly. We proposed to revise the outlier thresholds and the outlier reduction factors as necessary to reflect the unified outlier payment methodology in conjunction with the final rule setting forth the FY 1992 payment rates for the prospective payment system for operating costs.

We proposed that payment for capital-related day outliers (extended

length-of-stay cases) would be determined based on the same provisions in effect for operating cost day outliers. We proposed that payment for capital-related cost outliers (extraordinarily high-cost cases) would be determined based on both capital-related and operating costs and that the same marginal cost factors be used. We proposed to amend § 412.84 to provide that payment for high capital cost cases will occur only when combined capital-related and operating costs exceed the cost outlier threshold. We believe it is inappropriate to make cost outlier payments for high capital cost cases in which total capital-related and operating costs are below the cost outlier threshold. We proposed that the outlier payment would be payable only for the portion of the capital payment that is based on the Federal rate.

On June 3, 1991, we published a proposed rule to establish the FY 1992 policies and payment rates for the operating prospective payment system. The proposed rule included proposed thresholds for the combined operating-capital outlier payment determination (56 FR 25194). We proposed to set the day outlier threshold at the geometric mean length of stay for each DRG plus the lesser of 32 days or 3.0 standard deviations and the cost outlier threshold at the greater of 2.0 times the DRG or \$43,000. Based on our estimate that the proposed thresholds would result in outlier payments equal to 4.5 percent of capital payments based on the Federal rate, we proposed to apply an outlier adjustment factor of .954854 to the capital Federal rate in FY 1992.

The final rule setting forth the FY 1992 payment policies and rates for the operating prospective payment system is published elsewhere in this issue of the *Federal Register*. Our responses to comments received on the proposed outlier thresholds are discussed in that final rule.

For FY 1992, a case qualifies as a cost outlier if the cost for the case (after standardization for the indirect teaching adjustment and disproportionate share adjustment) is greater than the larger of two times the Federal rate for the case (that is, the standardized amount adjusted for DRG weight and wage index value) or \$44,000 (adjusted for the wage index). Except in the DRGs for burn cases, the cost outlier payment equals 75 percent of the difference between the standardized cost and the threshold. For burn cases, the outlier payment equals 90 percent of the difference.

A case qualifies as a day outlier if the length of stay is greater than the geometric mean length of stay for the

DRG plus the lesser of three standard deviations of the length of stay or 32 days. The day outlier payment is equal to 60 percent of the average per diem payment for the DRG. A case that qualifies as both a day and a cost outlier will be paid according to which methodology yields the higher payment. The indirect teaching and disproportionate share adjustments are applicable to outlier payments. The combined outlier thresholds result in a slightly lower percentage of outlier payments for capital-related costs than for operating costs. While the FY 1992 thresholds will result in outlier payments equal to 5.1 percent of operating payments, we project that the outlier payments will equal 5.03 percent of capital payments based on the Federal rate. Accordingly, we have applied an outlier adjustment factor of .9497 to the Federal rate.

*Comment:* A commenter questioned the basis for making capital outlier payments, stating that "there is no correlation between outliers and capital costs." Several commenters opposed additional payment for outlier cases under the capital prospective payment system. Some believe that capital costs are fixed, and that outlier cases do not require higher capital costs than nonoutlier cases. One commenter believed that capital outlier payments should be made for cost outlier cases, but not for day outlier cases.

*Response:* We believe that capital outlier payments are appropriate because patients use capital resources during the outlier portions of their hospital stays. Day outlier cases use fixed capital at a greater rate, due to their longer length of stay. Cost outlier cases use hospital resources of all types more intensely than do nonoutlier cases, and therefore merit extra prospective payment system payments as a result. In addition, we did find a positive statistical correlation between the level of a hospital's capital costs per case and its outlier experience.

*Comment:* One commenter is concerned that the percent of capital payments set aside for outlier payments may not be sufficient.

*Response:* By using the combined threshold, our flexibility to establish a more generous outlier payment policy is limited by the requirement in section 1886(d)(5)(A)(iv) that outlier payments under the operating prospective payment system may not be less than 5.0 percent nor more than 6.0 percent of total prospective payments. For the last few years, we have established thresholds that would result in outlier payments equal to 5.1 percent of operating prospective payments. To

limit the impact of the combined outlier payment policy on operating payments, we have chosen to retain this percentage for operating payments in FY 1992 and have determined the thresholds on this basis. We have then used those thresholds to project the estimated capital outlier payments and establish the outlier adjustment factor.

With regard to the underlying issue of whether the reduction in the Federal rate is sufficient to provide adequate protection for hospitals against extreme losses, we are evaluating our outlier payment policies in conjunction with our on-going examination of potential refinements to the prospective payment system.

*Comment:* Several commenters urged that any funds set aside for capital outlier payments but not paid out be added to the Federal rate for the next fiscal year. Other commenters requested clarification of our policy in the event that actual outlier payments differ from estimated outlier payments. One commenter requested that we again assert that the outlier reduction factor is a projection, and that it does not fund a specific pool set aside for outlier payments.

*Response:* The outlier reduction factor reflects our best estimate of the amount of outlier payments that, as a percent of Federal payments, will be made for outlier cases using the FY 1992 thresholds and marginal cost factors. There is no outlier pool in the sense of money dedicated solely to outlier payments in the Medicare budget, that can then be "returned" to the Federal rate if not fully spent on outlier payments, nor do we retroactively reduce the Federal rate if we have paid out more in outlier payments than we anticipated in a previous year.

*Comment:* Two commenters asked that we be specific about outlier payments to hospitals that receive hold harmless payments.

*Response:* Outlier payments to all hospitals paid under the capital prospective payment system will be made only on the portion of the Federal rate that is used to calculate the hospital's capital payments. For fully prospective hospitals, that is 10 percent of the Federal rate for the first transition year. Thus, a fully prospective hospital will receive 10 percent of the capital outlier payment calculated for the case.

For hold-harmless hospitals, the portion of the Federal rate that is included in the hospital's payment is based on the hospital's ratio of new capital to total capital for each year that the hospital receives hold-harmless payments, unless the hospital is paid 100

percent of the Federal rate. If the hospital receives 25 percent of the Federal rate as its payment for new capital, it would receive 25 percent of the outlier payment. On an interim basis, PRICER will determine the outlier payment using an estimate of the hospital's new capital ratio. The outlier payments will be subject to a retroactive adjustment when the hospital's final new capital ratio is determined during cost report settlement.

*Comment:* Several commenters asked that we clarify capital outlier payments to sole community hospitals that are paid using the hospital-specific rate under the operating prospective payment system, under section 1886(d)(5)(D)(i) of the Act.

*Response:* Outlier payments will be calculated for all providers using the proposed methodology. That is, the joint outlier payments will be calculated. However, a sole community hospital that is paid using the hospital-specific rate under the operating prospective payment system will be paid only the capital portion of the outlier payment. Since the outlier payments are separated into capital and operating portions, there will be no difficulty paying a sole community hospital only the capital portion.

*Comment:* Two commenters advocated outlier payments on the hospital-specific and hold-harmless portions of capital payments during the transition. One commenter urged that we modify the outlier formulas to reflect that the base year outlier experience, as evidenced in the hospital-specific rate, may not properly reflect the outlier experience throughout the transition.

*Response:* Both the hospital-specific and the hold-harmless portions of capital payments are reflective of the hospital's actual capital costs, and therefore already take into consideration the capital costs associated with outlier cases. For this reason, only the portion of payments for inpatient capital-related costs under the prospective payment system that are attributable to the Federal rate merit payment for outliers. While it is true that the incidence of outlier cases may change over the transition for hospitals receiving payment based on the hospital-specific rate, we believe that the hospital's base year costs should be generally representative of its outlier experience. However, if a hospital believes the hospital-specific rate is significantly distorted by its base year outlier experience, it may request that its hospital-specific rate be recalculated as discussed below in IV. B Step 4.

We note that when the prospective payment system for inpatient operating

costs was implemented, we initially provided that we would pay outliers on the hospital-specific rate and we reduced the hospital-specific rate by the outlier reduction factor accordingly. Based on public comment that this would benefit hospitals with a high percentage of outlier payments and disadvantage hospitals with a low percentage of outlier payments, we decided not to pay outliers on the hospital-specific rate (49 FR 261). We believe the same considerations are applicable to the capital hospital-specific rate.

*Comment:* Some commenters asserted that the outlier payment methodology is too complex. One commenter asserted that the examples were not specific enough.

*Response:* The outlier payment methodology is somewhat more complex than it would be in the absence of a capital prospective payment system, but this complexity is necessary in order to properly target outlier payments to the appropriate cases. The apportionment of the alternative fixed threshold for cost outlier cases (that is, the \$44,000) is the only element of the new outlier policy that did not occur in the outlier policy under the prospective payment system for operating costs. It is necessary to apportion the fixed cost threshold in some manner, and the method of using the ratio of the capital cost-to-charge ratio divided by the capital plus operating cost-to-charge ratios to determine the capital portion of the threshold appears to us to be the most reasonable. A detailed example of the calculation of outlier payments is published elsewhere in this issue of the Federal Register as part of the final notice of FY 1992 rates under the prospective payment system for operating costs.

*Comment:* Two commenters suggested that hospitals receiving transfers should be paid more for a case than the DRG payment, because of the substantial losses associated with treating transfer patients.

*Response:* Under a prospective payment system, payments are not meant to replicate a given case's costs, but rather to represent an average payment. We expect that some cases will be paid more than their costs, and others less. Outlier payments are made for exceptionally costly or long-staying cases, and we believe that outlier payments represent sufficient protection for hospitals, both for regular admissions and for accepted transfers.

Although we are not providing an additional payment for cases that are transferred from another hospital, this is an issue that we are examining as part

of our on-going work to refine the prospective payment system.

*Comment:* Two commenters believed that the proposed outlier payment policy is acceptable, but urged further studies of appropriate outlier payments under a prospective payment system incorporating capital. Other commenters are concerned that we did not propose to change the marginal cost factors used in the outlier payment calculation.

*Response:* We continue to study possible refinements to outlier payment policy both internally and through a cooperative agreement with the RAND/UCLA Center for Policy Research. One aspect that we will examine is whether changes in the marginal cost factor would be appropriate.

*Comment:* One commenter urged that capital outlier payments be funded with new money, rather than through a reduction of the Federal rate.

*Response:* We have no authority to fund capital outlier payments with "new" money. Under section 1886(g)(1)(A) of the Act, aggregate payments made in FY 1992 for inpatient hospital services must be reduced in a manner that results in savings equivalent to 10 percent of the amount that would have been payable on a reasonable cost basis for capital-related costs in that year. Although the statute provides the flexibility to fund the capital outlier payments through either a reduction in operating payments or other capital payments, we are making the reducing in other capital payments consistent with our decision to meet the budget neutrality requirement of section 1886(g)(1)(A) solely through the capital prospective payment system. Further, even in the absence of a budget neutrality requirement, we believe that, consistent with the prospective payment system for operating costs, a reduction in the Federal rate is the most appropriate way to account for the outlier payments.

*Comment:* A commenter requested further explanation of the manner in which we calculate the outlier reduction factor.

*Response:* The outlier thresholds are set so that 5.1 percent of estimated operating payments are paid as outlier payments. The capital outlier reduction factor is then set according to the estimated capital outlier payments that would be paid if hospitals were all paid according to 100 percent of the Federal rate for the capital prospective payment system. We believe that, for purposes of calculating the outlier reduction factor and the outlier thresholds, it is appropriate to model all hospitals as if paid 100 percent of the Federal rate.

This is because, as explained above, outlier payments are made only on the portion of the Federal rate that is included in the hospital's capital payments (that is, the amount based on the ratio of new capital to total capital for hospitals paid hold harmless payments, 100 percent for hospitals paid 100 percent of the Federal rate, and 10 percent for hospitals paid under the fully prospective methodology).

In FY 1992, the first year of the prospective payment system for capital, a hospital is not paid under the prospective payment system until the beginning of its cost reporting period that begins on or after October 1, 1991. When we estimated outlier payments for this year, we reduced estimated capital outlier payments and capital prospective payments on a hospital-specific basis to reflect when the hospital would begin receiving capital outlier payments. For instance, the estimated capital outlier payments and Federal rate capital payments for a hospital that starts to receive capital prospective payments on January 1, 1992 would be multiplied by 0.75 in order to reflect that the hospital would be eligible for capital outlier payments for nine months of FY 1992. The adjustment is necessary because outlier cases are not uniformly distributed across hospital cost reporting periods. For example, most major teaching hospitals, which tend to have relatively high outlier payments, will not come under the capital prospective payment system until their cost reporting period beginning July 1, 1992. If we did not make this adjustment, we could incorrectly estimate the amount of capital outlier payments during FY 1992 and reduce the

capital Federal rate by an inappropriate outlier adjustment factor.

#### Step 5—Exceptions Reduction Factor

As explained in section IV.C below, we proposed to reduce the Federal rate and the hospital-specific rate by an exceptions reduction factor equal to the estimated additional payments that would be made under the exceptions policy.

We estimated that the additional payments in FY 1992 would equal 6.92 percent of aggregate payments based on the Federal rate and the hospital-specific rate. Therefore, we multiplied the standard Federal rate by an exceptions reduction factor of 0.9308 (1.00–0.0692).

In this final rule, we estimate that the additional payments in FY 1992 until equal 1.87 percent of aggregate payments based on the Federal rate and the hospital-specific rate. Therefore, we have multiplied the standard Federal rate by an exceptions reduction factor of .9813.

#### Step 6—Budget Neutrality Adjustment Factor

As explained in section IV.E below, we proposed to adjust the Federal rate and the hospital-specific rate each year by a budget neutrality adjustment factor so that aggregate payments for capital in FY 1992 through FY 1995 would be equal to 90 percent of what would have been payable each year on a reasonable cost basis. In the proposed rule, we determined that the budget neutrality factor would increase the standard Federal rate. We proposed to multiply the standard Federal rate by a budget neutrality adjustment factor of 1.1088. In

this final rule, we have determined that a budget neutrality factor of 0.9602 is required so that aggregate payments for capital in FY 1992 will equal 90 percent of what would have been payable on a reasonable cost basis. Accordingly, we have multiplied the standard Federal rate by 0.9602. There is a detailed explanation of the changes in the exceptions reduction and budget neutrality factors in IV.E below.

With the policy changes we are making in this final rule as well as the availability of more recent cost data and refined assumptions, the FY 1992 Federal rate is \$415.59 compared to \$471.54 in the proposed rule. We are providing below a comparison of the rate calculation that accounts for the changes in the Federal rate. At each step, dollar amounts are shown to illustrate the cumulative effect on the Federal rate of each adjustment factor, and the difference in the effect of each adjustment factor between the proposed rule and the final rule. The cumulative percent change column shows the total difference, to that point in the table, between the rate in the proposed rule and the final rule.

The estimated FY 1992 cost per discharge is 2.0 percent higher (\$698.50 compared to \$684.96). The payment adjustments decrease the Federal rate 5.4 percent compared to the payment adjustments in the proposed rule. The combination of the exceptions reduction factor and the budget neutrality adjustment factor reduce the Federal rate by 8.4 percent compared to the proposed rule reduction. The combined effect of all factors is a reduction of 11.9 percent in the Federal rate.

#### COMPARISON OF THE FEDERAL RATE CALCULATION FROM THE PROPOSED RULE TO THE FINAL RULE

	Cost per discharge	Percent change	Cumulative percent change
Base capital per admission from cost reports:			
Proposed rule: FY 1988 cost per discharge updated to FY 1989 by 1.1055.....	\$563.93		
FY 1989 cost per discharge with audit adjustments.....	527.22	–6.5	–6.5
Update factors:			
Proposed rule: FY 1990, 7.25%; FY 1991, 6.04%; FY 1992, 6.80%; Cumulative 21.46% .....	664.96		
Final rule: FY 1990, 8.37%; FY 1991, 10.00%; FY 1992, 10.14%; <sup>1</sup> Cumulative 31.30% .....	692.21	8.1	1.1
Transfer adjustment.....	698.50	0.9	2.0
Payment parameter adjustments:			
Proposed rule, 0.7028.....	481.42		
Final rule, 0.6649.....	464.42	–5.4	–3.5
Outlier reduction factor:			
Proposed rule, 0.9490.....	456.82		
Final rule, 0.9497.....	441.06	.1	–3.5
Exceptions adjustment factor:			
Proposed rule, 0.9308.....	425.27		
Final rule, 0.9813.....	432.81	5.4	1.8
Budget neutrality factor:			
Proposed rule, 1.1088.....	471.54		
Final rule, 0.9602.....	415.59	–13.4	–11.9
Net change:			
Proposed Federal rate.....	471.54		
Final Federal rate.....	415.59	–11.9	

<sup>1</sup> The update factor for FY 1992 includes an allowance for increased inpatient capital due to the expansion of the preadmission DRG window.

### *B. Determination of Basic Hospital Inpatient Capital Payments During Transition*

Before implementing full Federal rate payments for hospital inpatient capital-related expenditures, we proposed to provide for a 10-year transition period to allow hospitals adequate time to adjust to the new payment system. We proposed that the transition period for all hospitals subject to the prospective payment system would commence with the hospital's first cost reporting period beginning on or after October 1, 1991, and extend through the hospital's last cost reporting period beginning before October 1, 2001. Payments during the transition period would vary among hospitals, generally depending on the relationship between their hospital-specific rate and the Federal rate.

Because the transition period payments would be based in part on actual allowable capital costs, we proposed to require strict adherence to the rules for classifying, allocating, and determining the reasonable cost of capital-related costs under the Medicare principles of payment that implement section 1861(v) of the Act and 42 CFR part 413, Subpart G, Capital-Related Costs. We would seek to ensure that these principles are followed consistently during the pertinent cost reporting periods in the determination of the hold-harmless amount, the hospital-specific rate, and capital exceptions payments during the transition period.

We proposed that an intermediary's determination of the hospital-specific rate and the payment amount for old capital would be subject to review and appeal under the provisions at 42 CFR part 405, Subpart R, Provider Reimbursement Determinations and Appeals. In addition, we proposed to revise the hospital-specific rate and the determination of old capital costs retroactively to reflect revisions in the amounts recognized as allowable for the hospital's base year as a result of administrative or judicial actions affecting the base-period notice of amount of program reimbursement. Any retroactive adjustments would also result in an adjustment to any hold-harmless or exceptions payments the hospital may have received.

We proposed to deem hospitals with 52-53 week fiscal year periods ending September 25-30 of the calendar year to have Medicare cost reporting periods beginning October 1 in each such calendar year for capital payment purposes in order to assure a comparable transition for all hospitals.

We received a number of public comments that address general transition period issues. These public comments and our responses follow.

*Comment:* A few commenters objected to the provision in the proposed rule that would deem Medicare cost reporting periods as beginning on October 1 of each year for hospitals with 52-53 week fiscal year periods ending September 25-30 (56 FR 8487). They argued that the pertinent statutory precedent, section 9307(d) of Public Law 99-509, applies to a limited group of hospitals and allowed for the election of its application.

*Response:* We proposed to deem hospitals that have a 52-53 week cost reporting period ending September 25-30 as having an October 1, 1991 cost report beginning date in order to provide an orderly 10 year transition for these hospitals. For example, a hospital with four 13-week accounting periods ending on a Friday may have the following cost reporting periods: Year 1: 9/29/91 through 9/25/92; Year 2: 9/26/92 through 10/1/93; Year 3: 10/2/93 through 9/30/94.

If the actual cost reporting period beginning dates were used to determine the hospital's blend percentage under the fully prospective payment system, the hospital would not have a cost reporting period beginning on or after October 1, 1992 and before October 1, 1993 and would skip from a blend based on 90 percent of the hospital-specific rate and 10 percent of the Federal rate for its cost reporting period beginning 9/26/92 to one based on 70 percent of the hospital-specific rate and 30 percent of the Federal rate for its cost reporting period beginning 10/2/93. Based on the objections raised by commenters and the explicit statutory effective date for the capital prospective payment system, we are eliminating this provision in the final rule. Instead, we are providing that the cost reporting period beginning date in subsequent years of the transition will be deemed to be the same as the beginning date of the first cost reporting period for which the hospital comes under the capital prospective payment system. Thus, the hospital in the example would be considered to have a cost reporting period beginning on September 26, 1993 in Year 3 (its second year under the capital prospective payment system) and would receive a payment based on 80 percent of the hospital-specific rate and 20 percent of the Federal rate. This, in effect, gives the hospital the same transition as hospitals with fixed fiscal year ends. This policy

applies to those aspects of the transition policy that are tied to the hospital's cost reporting period beginning date, such as the blend percentage under the fully prospective methodology and eligibility to receive a hold-harmless payment. The hospital's actual fiscal year would be used for all other purposes, including the determination of the actual hold-harmless payment amount and any capital exceptions payments.

*Comment:* Several commenters requested extension of the transition period beyond the proposed 10 years to take into account the longer useful lives of plant and fixed equipment, the time required for project planning and completion, the length of capital cycles and other factors. One commenter presented information showing that the ten year transition does not adequately encompass the period during which the capital costs of a major modernization project are the highest as support for its argument that there should be a 15 year transition. A few commenters also suggested that the transition period should start anew each time a hospital puts obligated capital into use. However, others asked that the period for transition to full Federal rates be greatly reduced or eliminated.

*Response:* We believe that the 10-year transition period length represents the best balance for both low capital cost and high capital cost hospitals under the capital prospective payment methodology we have developed. Given the budget neutrality constraints, a shorter transition period for low capital cost hospitals would require greater reductions in either the Federal rate or the hold-harmless protection for old capital, or both, to offset the higher payments to these hospitals that would result. We believe the 10-year transition provides for reasonable payment increases to low cost capital hospitals while assuring that no immediate and large windfalls will be created in the change-over from cost-based reimbursement to prospective payment.

The commenters favoring a longer transition time did not convince us that that change would be essential to allow high capital cost hospitals sufficient time to adjust their operations and financing to payments based on the Federal rate. In this regard, we do not find the data suggesting that the "cross-over" point on a major project is around 15 years persuasive. The transition period is not intended to assure that a hospital receives cost-based reimbursement during the period its

capital cost stream is the highest. In fact, we believe it would be inappropriate for the Medicare program to pay on a cost basis during the period the hospital's costs for a project are above average and then to pay based on the Federal rate, which is an average price, during the period the hospital's costs for the project are below average.

Similarly, we do not agree with the commenters that the transition period should begin anew for a hospital each time obligated capital is put in use for patient care. The purpose of the transition is to allow a period of adjustment; it is not intended to guarantee cost-based reimbursement for 10 years. Regardless of when the project is completed, a hospital will have had ten years to adjust to the fact that payment will be based solely on the Federal rate after FY 2001.

*Comment:* Several commenters requested that payments during the transition period be based on each hospital's actual cost in each transition year (referred to below as "a rolling base period") blended with a Federal rate payment for capital.

*Response:* In the September 1, 1987 capital final rule (52 FR 33168) that never went into effect due to the enactment of section 4006 of Public Law 100-203, we provided that the hospital-specific payment during the transition would have been determined using a rolling base period. As we noted in the proposed rule (56 FR 8478), hospital industry representatives expressed concern that the rolling-base option may not adequately recognize the capital requirements of those hospitals that have recently undertaken capital expansions and those that will be undertaking major capital projects in the future. Given the hospital industry's opposition to the 1987 rule and its demands for a transition policy that provides protection for previously committed capital expenditures (that is, a grandfathering policy), we have not provided for a rolling base in this rule.

We believe that the transition policies we are establishing are preferable to a rolling base approach for several reasons. First, the hold-harmless payment methodology provides better protection to high capital cost hospitals for existing capital commitments since the hospital-specific portion of the payment declines under the rolling base whereas old capital will be paid on a reasonable cost basis throughout the transition. Second, the fully prospective payment methodology will allow low cost capital hospitals that do not have large capital expenditures early in the transition to accumulate more funds for future investment than under the rolling

base. Most low cost hospitals that do have major expenditures early in the transition will be protected by the policy we are adopting in this final rule that will allow a redetermination of the hospital-specific rate under specified conditions. Third, the rolling base retains an element of cost-based reimbursement for new capital as well as existing capital commitments. The transition policies we are adopting in this final rule protect hospitals for their existing capital commitments while providing incentives for efficient capital spending in the future by paying for new capital solely on a prospective basis.

#### Step 1—Determination of the Hospital-Specific Rate

We proposed that the base period used to determine the hospital-specific rate would be the hospital's latest 12-month cost reporting period ending in FY 1990 (that is, a cost reporting period ending after September 30, 1989 and on or before September 30, 1990).

*Comment:* Some commenters recommended that a later cost reporting period be used for the base period.

*Response:* In this final rule, we are providing that the base period for the hospital-specific rate will be the hospital's latest cost reporting period ending on or before December 31, 1990. If the hospital's last cost reporting period ending in calendar year 1990 is for less than 12 months, the fiscal intermediary will use a combination of cost reporting periods ending on or before December 31, 1990 that cover at least 12 months. By moving the cut-off date for the base period cost report ending date forward by 3 months, approximately 34 percent of hospitals will have a base period that is one year more recent than the base period under the proposed rule. The cut-off date for the base period for these hospitals will also coincide with the December 31, 1990 cut-off date we are establishing for obligations recognized under the old capital definition. We are not using a more recent base period because we believe it is important that the base periods have closed before publication of the proposed capital rule (February 28, 1991). Otherwise, the hospital's base period costs could reflect anticipatory actions taken in direct response to the February 28, 1991 proposed rule. Although cost reporting periods ending on or before February 27, 1991 would also have closed before the proposed rule was published, we believe that the December 31, 1990 cut-off is preferable because of both the large number of hospitals with cost reporting periods ending on December 31 and the administrative advantage of revising the

base period ending date to coincide with the obligated capital cut-off date.

a. *Base year allowable cost per discharge.* We proposed to divide the hospital's total allowable Medicare inpatient capital-related costs in the base year by the number of Medicare discharges in the base year to determine the base year allowable capital cost per discharge. A discharge is defined as the formal release of a patient, including death, but excluding patients who are dead on arrival and newborns. Under § 412.4, a transfer to another acute care hospital is not considered a discharge for DRG payment purposes since special payment rules apply to these cases. However, for cost reporting purposes and, therefore, for purposes of determining the hospital-specific rate, we proposed that all transfers count as discharges in calculating the hospital's allowable base year cost per discharge.

*Comment:* One commenter requested clarification on the use of subprovider discharges (for example, discharges from a hospital-based skilled nursing facility) in the calculation of the hospital-specific rate.

*Response:* The capital prospective payment system applies only to acute care hospital inpatient capital costs for prospective payment system hospitals. As such, subprovider capital costs and discharges are not included in the determination of the hospital-specific rate, nor are subproviders to be paid under the capital prospective payment system. In addition, SNF-level swing bed costs and discharges are excluded from the hospital-specific rate determination.

*Comment:* Several commenters questioned the treatment of transfers in determining the hospital-specific rate. Some commenters suggested that transfers should not be included in the discharge count because payment is not made for all transfers on a per discharge basis. One commenter suggested that each transfer case should be counted as a fraction based on the amount paid for the transfer case as a portion of the full case payment. Others believed that including transfers in the case-mix index would distort the hospital-specific rate because transfer cases tend to have a higher DRG weight.

*Response:* We agree with the commenters that the treatment of transfers in the discharge count is problematic. To the extent a transfer is paid on a per diem basis, including the transfer in the discharge count will understate the hospital-specific rate. If the transfer were not counted at all, as suggested by some commenters, the hospital-specific rate would be



overstated. In contrast, there is no distortion in the hospital-specific rate if the transfer is paid at the full DRG rate. Since some transfers are paid on a per diem basis and other transfers are paid at the full DRG amount, either the total inclusion or the total exclusion of transfers will distort the hospital-specific rate unless the costs of all transfer cases are removed from the base period costs. We do not believe that it is administratively feasible to remove the costs associated with transfer cases. Instead, to account for transfers, as recommended by one commenter, we are adopting an adjustment to the discharge count used to calculate the hospital-specific rate. We constructed from MEDPAR a beneficiary file for each hospital's base year cost reporting period, and then counted each case as the lower of 1.0 or the result obtained by dividing the length of stay (LOS) for the case by the geometric mean LOS for the DRG. Thus, a full discharge, or a transfer case that received the full discharge payment, would be counted as 1.0, while a transfer case that stayed 2 days in a DRG with a geometric mean length of stay of 5 days would count as 0.4 of a discharge. To determine the transfer adjustment factor, we then added together these adjusted discharges and divided by total discharges, including transfers. In this manner, transfer cases are counted only to the extent that the transferring hospital received payment for them. We believe that using the geometric mean LOS is appropriate because transfer cases are paid a per diem payment equal to the full discharge payment divided by the geometric mean LOS for the DRG, up to the full discharge amount.

The case mix index is constructed using all cases, including transfer cases, in the MEDPAR file. For most hospitals, counting transfers as a full discharge in determining the case mix index has no significant effect on the case-mix index value. However, we found that there are hospitals for which the difference is significant.

We are establishing in this final rule that a transfer-adjusted case-mix index should be used in the calculation of the hospital-specific rate. The adjusted case-mix index will be calculated as the sum of the adjusted DRG weights, divided by the transfer adjusted number of cases. The adjusted DRG weights will be calculated as the DRG weight times the lesser of 1 or the fraction of the length of stay for the case divided by the geometric mean length of stay for the DRG. In this manner, nontransfer cases and transfer cases that have a length of

stay at least as long as the geometric mean length of stay will be represented by the full DRG weight, which is reflective of what the hospital receives as payment for these cases, while transfer cases with lengths of stay below the geometric mean length of stay for the DRG will be represented by a lower number, reflective of their payment. For example, a case in a DRG with a weight of 2.0 and a geometric mean length of stay of 6 days, that was transferred after 3 days, would be represented by a weight of 1.0 in the adjusted case-mix index. For the majority of hospitals, the adjustment will make a less than one tenth of one percentage point difference in their case-mix index.

By using the adjusted case-mix index, as well as the transfer-adjusted discharges discussed above, we will ensure that a hospital that would have been paid using its hospital-specific rate in the base year (before update factors are applied) would have been paid its base year costs. This is the appropriate hospital-specific rate for transition payment purposes.

The transfer adjustment factors, together with the adjusted case-mix index for each hospital's base period are set forth below in table 3 of this document. The fiscal intermediary will determine the hospital's discharges for purposes of computing the hospital-specific rate by multiplying the hospital's total Medicare inpatient discharges (including transfers) by the hospital's transfer adjustment factor. The case-mix index and transfer adjustment factors are based on the best available data, namely, 100 percent of the hospital's Medicare inpatient bills for its base year cost reporting period received by June 30, 1991 and will not be subject to revision to account for bills that are received after this date.

*Comment:* One commenter expressed concern that we have not yet revised the Provider Reimbursement Manual (HCFA Pub. 15-1) to incorporate certain clarifications to the definition of capital-related costs that have been communicated to the fiscal intermediaries through responses to inquiries. These clarifications relate to the treatment of bond issue and redemption costs, the costs for mobile equipment or jointly-owned assets that are on the site at a provider only part of the time, the distinction between leased equipment and purchased services, and the treatment of lease payments when no payment amount for maintenance is specifically identified in the lease. The commenter believes that, because it is essential to use these clarifications

during the development of the hospital-specific rates and subsequent base period audits, we should describe the proper treatment of these items in the preamble to the final rule.

*Response:* The commenter is correct that we have addressed these issues in response to specific inquiries that we have received from HCFA regional offices, fiscal intermediaries, providers and vendors. A summary of our clarifications is as follows:

- Debt Issuance and Redemption Costs

Debt issuance costs, debt discounts, and debt redemption expenses are capital-related costs if the associated debt was issued to acquire land or depreciable assets (either through lease or purchase) used to furnish patient care, or to refinance existing debt for which the original purpose was to acquire land or depreciable assets used for patient care. Conversely, debt premiums serve as a reduction to capital-related interest expense if the associated debt was issued for one of these purposes. The same criteria are used to define capital-related interest expense in § 413.130(f)(1) of the regulations. We are revising § 413.130 to clarify the treatment of these costs as capital-related costs.

- Mobile Equipment

If the equipment is jointly-owned, all the provider-owners that use the equipment may share in the capital-related costs (as defined in § 413.130 of the regulations) associated with that equipment. The allocation of the capital-related costs among the provider-owners must be on a basis that reflects the relative usage by each provider, rather than the ownership share or the amount of time the asset is located at each provider's site.

With regard to the distinction between a lease of equipment and a purchase of services as applied to mobile equipment agreements, notwithstanding the nominal characterization of an agreement, the terms of each agreement must be examined to determine whether or not the agreement qualifies as a lease of equipment or as a purchase of service. The significance of this distinction is that a lease of equipment is considered a capital-related cost, while a purchase of service is considered an operating cost. Under the general rule in § 413.130(b)(1) of the regulations, in order for an agreement to be considered a lease or rental (and consequently a capital-related cost), the agreement must convey to the provider the possession, use and enjoyment of the asset. Due to



the wide variation in such agreements, we believe a highly specific rule to distinguish a lease of equipment from a purchase of service would be impractical. Rather, we have developed a list of factors that should be examined to determine whether a particular agreement may be treated as a lease of equipment or as a purchase of service. We believe these factors serve as reliable indicators for determining whether or not the provider has the possession, use and enjoyment of the asset. Factors that would weigh in favor of treating a particular agreement as a lease of equipment include the following:

- The equipment is operated by personnel employed by the provider or an organization related to the provider within the meaning of § 413.17.
- The physicians who perform the services with or interpret the tests from the equipment are associated with the provider.
- The agreement is memorialized in one document, rather than in two or more documents, (for example, one titled a "Lease Agreement" and one titled a "Service Agreement")
- The document memorializing the agreement is titled a lease agreement. If one or more of the documents memorializing the agreement are titled "Service agreements", this would indicate a purchase of services.
- The provider holds the certificate of need (CON) for the services being furnished with the equipment.
- The basis for determining the lease payment is units of time, and is not volume sensitive (for example, numbers of scans).
- The provider attends to such matters as utilization review, quality assurance, and risk management with respect to the services involving the equipment.
- The provider schedules the patients for services involving the equipment.
- The provider furnishes any supplies required to be used with the equipment, and
- The provider's access to the equipment is not subject to interruption without notice or on very short notice.

Because no single factor is necessarily determinative of the nature of a given agreement (capital-related or operating cost), the intermediary will examine all aspects of an agreement in determining whether the arrangement constitutes a lease of equipment or a purchase of service, and thus be classified as a capital-related cost or an operating cost.

#### • Treatment of the Maintenance Portion of a Lease

Amounts included in rentals or lease payments for repair or maintenance are excluded from the definition of capital-related costs under § 413.130(b)(1) of the regulations. However, if no amount of the lease payment is identified in the lease agreement for maintenance, the provider is not required to carve out a portion of the lease payment to represent the maintenance portion. Thus, the entire lease payment may be considered a capital-related cost, subject to the provisions of § 413.130(b).

We are taking this opportunity to revise § 413.130 of the regulations to incorporate these clarifications of existing rules.

*Comment:* Several commenters requested clarification regarding the treatment of gains and losses occurring in the base year. One commenter believes that any gains or losses occurring after the base year should be reflected as a revision to the hospital's hospital-specific rate.

*Response:* Depreciation expense recognized during the years that an asset is in use is an estimate based on assumptions regarding the number of years that the entity will use the asset and the monetary amount, if any, that will be realized when the entity disposes of the asset. The factual outcomes regarding these assumptions are not known with certainty until the asset disposal actually takes place. At the time the asset is disposed of, a gain or loss is recognized which is represented by the difference between the sales price and the net book value of the asset. Theoretically, the gain or loss is a correction to the depreciation expense recognized during the years that the asset was in use. That is, a gain resulting from an asset disposal indicates that too much depreciation was taken during the years that the asset was in use and recognition of the gain is made to "recapture" the excess depreciation taken. Conversely, a loss resulting from an asset disposal indicates that too little depreciation was taken during the years that the asset was in use and recognition of the loss is made to make up the depreciation shortfall. Although the gain or loss recognition represents a correction to depreciation taken in prior years, accounting convention, specifically Accounting Principles Board Statement Number 4, requires that the gain or loss be recognized in the year that the asset disposal takes place, rather than to recast the financial statements of the prior years to reflect the corrected depreciation expense. In this regard,

Medicare payment policy is consistent with generally accepted accounting principles.

Medicare payment policy requires that a gain or loss resulting from a bona fide sale or scrapping of an asset be recognized in the year that the asset disposal takes place, even though some portion of the gain or loss applies to years prior to the asset disposal.

However, in determining Medicare's share of the gain or loss, the gain or loss is spread over the cost reporting periods for which Medicare shared in the cost of the asset. Medicare's share of the gain or loss applicable to prior cost reporting periods is determined based on Medicare utilization in each of the prior cost reporting periods and is recognized as a prior period adjustment on the settlement worksheet (Worksheet E) of the Medicare cost report (HCFA-2552). The portion of the gain or loss applicable to the cost reporting period during which the disposal occurs is reflected in that period's costs and flows through the Medicare cost report as a current year cost. Only that portion of gain or loss applicable for the current year will be reflected in the hospital-specific rate where there were gains or losses on the disposal of assets in the base period.

After the capital prospective payment system takes effect, we will continue to make adjustments for gains or losses on the disposal of assets. However, the treatment of the adjustments for prior cost reporting periods is dependent upon the capital prospective payment methodology. Prior period adjustments of gains or losses on disposal of assets will apply to those periods for which capital costs were paid on a reasonable cost basis. For hospitals paid under the fully prospective methodology, prior period adjustments for gains or losses for assets purchased before the effective date of the capital prospective payment system and disposed of after implementation of the capital prospective payment system will be reflected as Medicare Part A settlement adjustments only for those years prior to capital prospective payment system since payment only in those years was on a reasonable cost basis. Medicare Part B adjustments will be reflected for all prior cost reporting periods. Any prior period adjustment applicable to the base period will not create a reopening of the base period and as such, the hospital-specific rate will not be adjusted. For new capital assets purchased and disposed of after the effective date of the capital prospective payment system, only the gain or loss applicable to Medicare Part B will be

reflected as an adjustment on the Medicare cost report.

Under the hold-harmless methodology, gain or losses on the disposal of assets after the effective date of capital prospective payment system for hospitals paid based on 100 percent of the Federal rate will be handled in the same fashion as for hospitals under the fully prospective payment methodology. For hospitals receiving a hold-harmless payment for old capital, gains or losses on the disposal of assets qualifying as old capital will be handled through the Medicare cost report as prior period adjustments under Medicare Part A and Part B for the periods under the capital prospective payment system as well as any earlier periods. With respect to gains or losses on the disposal of new capital assets for a hospital that receives a hold-harmless payment for old capital, only the gain or loss that applies to Medicare Part B will be reflected as an adjustment on the cost report. Any adjustment for prior periods that were subject to the capital cost percentage reduction, including the discount on old capital under the hold harmless methodology, will reflect the appropriate capital discount applicable to the prior period.

*Comment:* Many commenters questioned whether a hospital-specific rate derived from base year costs would provide a representative historical cost level for hospitals paid under the fully prospective payment methodology. Commenters were particularly concerned over situations where major recurring capital costs come on-line during the last months of the base year and are not fully represented in the hospital-specific rate, or where the hospital-specific rate is distorted because of non-recurring items, such as unusual investment income, occurring during the base year. Most commenters noted the importance of recognizing the cost of capital items and services that have been obligated but are not put in use until the base period is over. In many cases, there are major capital costs that will be incurred throughout the transition period and would not be reflected in the hospital-specific rate. Thus, a hospital would be severely underpaid relative to its costs. A few commenters recommended that one solution would be to pay hospitals with a hospital-specific rate below the Federal rate on a rolling base period.

*Response:* We do not believe that the hospital-specific rate should be automatically adjusted to include a full

12 months of capital costs which are first expensed in the latter part of base year cost reporting period. These costs are often balanced by other partial year costs that will not continue in subsequent years, such as depreciation on an asset which became fully depreciated in the early part of the base period. The underlying rationale for using a hospital-specific rate is that it is representative of the average costs incurred by the hospital. It is not necessary that the hospital-specific rate include the hospital's actual costs that will be incurred in the future. Also, for hospitals with cost reporting periods beginning January 1, 1992, moving the base period one year closer to the implementation date for the capital prospective payment system, as described above, should make the base period more representative.

Nevertheless, we are persuaded by the commenters that there are situations in which the hospital's base year costs may be sufficiently distorted that they should not be used to determine the hospital's payments throughout the transition period. This would include situations involving obligated capital that is put in use after the base period, as well as costs only partially recognized in the base year and non-recurring investment income. As discussed below in step 2, we are providing for recognition of obligated capital provided certain criteria are met. In order to recognize these situations and others where the base year costs are not representative, we are adopting a modified base year approach. Under this approach, we are providing that a hospital may request that its hospital-specific rate be redetermined based on its old capital costs (identified in Step 2, below) for a cost reporting period occurring after the base year. The latest cost reporting period for which a recalculation of old capital costs would be allowed is the later of the hospital's cost reporting period beginning in FY 1994 or the first cost reporting period beginning after the obligated capital that qualifies as old capital is put in use. For example, a hospital in a certificate-of-need State that has obligated capital come on line in FY 1996 could have its hospital-specific rate recalculated in the cost reporting periods that begins in FY 1997 or an earlier cost reporting period. The request must be made within 90 days of the close of the cost reporting period when the cost report is filed.

We are allowing a redetermination using the first full cost reporting period following the period in which obligated

capital that qualifies as old capital is put in use so that the hospital-specific rate will reflect the annual cost of the obligated capital. The recalculated hospital-specific rate will be based solely on the hospital's actual allowable costs for old capital in the cost reporting period, including the costs for obligated capital that meet the old capital definition. It would not include any costs for capital acquired after the base year that does not qualify as old capital. The recalculated rate would be effective for that cost reporting period and throughout the remainder of the transition. The recalculation is intended to benefit those hospitals whose base year costs were sufficiently distorted that their current old capital costs per discharge exceed their updated base year costs per discharge. It obviates the need to make base year adjustments for specific elements of cost that would otherwise distort that hospital-specific rate and facilitates recognition of obligated capital in payments to low capital cost hospitals. In this regard, if the recalculated hospital-specific rate exceeds the Federal rate applicable in the cost reporting period, the hospital will be paid under the hold-harmless methodology for the remainder of the transition.

*b. Case-mix adjustment.* We proposed to divide the base year allowable capital cost per discharge by the hospital's case-mix index for its base year cost report. We are publishing in table 3 each hospital's transfer-adjusted case mix index, as discussed above, for its latest cost reporting period ending in calendar year 1990. If this latest cost report was for less than a 12-month period, we have combined cost reporting periods ending on or before December 31, 1990, consistent with the base period definition.

We proposed to standardize the hospital-specific rate for case mix in the base year because individual case complexity will be taken into account in determining the hospital-specific portion of the payment for a discharge (by multiplying the hospital-specific rate by the DRG weight). By doing so, the hospital-specific payments will reflect any changes in case-mix occurring between the base year and the payment year.

*Comment:* A commenter is concerned about the effect that later adjustments to bills would have on the case-mix index, and thus on capital payments.

*Response:* We have based the case-mix index on the best data available; namely, 100 percent of the hospital's

bills for the hospital's base year cost reporting period that were received by June 30, 1991. Since the case-mix index takes into consideration all bills received at a minimum of 6 months after the close of the hospital's base period, we do not believe that there should be a significant volume of outstanding bills that would affect the hospital's case-mix index. The same MEDPAR file is being used for all other aspects of this final rule in which case-mix is a factor. To be consistent throughout the implementation of the rule and because we believe the 6 months cut-off is adequate, we are providing that no adjustment in the case-mix index will be made to account for initial or adjustment bills received by HCFA after June 30, 1991.

*Comment:* The case-mix index adjustment should be revised to modify yearly fluctuations and provide more stable payments.

*Response:* We disagree with the commenter. To the extent that a hospital's case-mix index fluctuates, the resource use of Medicare patients in that facility also fluctuates, and the difference ought to be recognized through capital prospective payments.

c. *Update factor.* We proposed to update the resulting case-mix adjusted base period costs per discharge to apply to discharges occurring in FY 1992. Although the prospective payment system for capital is effective by cost reporting period beginning dates, we proposed to update the hospital-specific rate in the future on a Federal fiscal year basis to coincide with the update of the Federal capital payment rate and to maintain a consistent relationship between the hospital-specific rate and the Federal rate throughout the transition. This would facilitate the comparison of a hospital's hospital-specific rate and the Federal rate for purposes of determining the applicable transition payment methodology. It would also provide for a consistent match between the inflation factor used to update the hospital-specific rate and the period covered by the rate.

We proposed to update the base period costs per discharge from the midpoint of the hospital's base cost reporting period to March 31, 1992 (the mid-point of FY 1992).

We proposed to base the update factor on an actuarial estimate of the increase in Medicare inpatient capital costs per discharge adjusted for case-mix change. The proposed rates of increase were as follows:

#### ESTIMATED INCREASE IN MEDICARE CAPITAL COST PER DISCHARGE

[Percent]

Federal fiscal year—	Total increase	Increase in case-mix	Case-mix adjusted increase
1989.....	10.55	2.49	1 7.86
1990.....	7.25	2 0.77	6.43
1991.....	6.03	2.0	3.95
1992.....	6.80	2.0	4.71

<sup>1</sup> Calculated by dividing 1.1055 by 1.0249.

<sup>2</sup> Takes into account 1.22 percent reduction in DRG weights.

Based on the case-mix adjusted inflation rates, we proposed to update the hospital's base period costs per discharge for inflation in FY 1992 using the following update factors:

#### Compounded Update Factors for Hospital-Specific Rate

12-month base year cost reporting period ending:

October 31, 1989.....	1.16835
November 30, 1989.....	1.16101
December 31, 1989.....	1.15371
January 31, 1990.....	1.14648
February 28, 1990.....	1.13926
March 31, 1990.....	1.13209
April 30, 1990.....	1.12623
May 31, 1990.....	1.12040
June 30, 1990.....	1.11459
July 31, 1990.....	1.10882
August 31, 1990.....	1.10308
September 30, 1990.....	1.09736

If a hospital's base year 12-month cost reporting period ends on a day other than those listed above, we proposed that the intermediary would use the nearest whole month to the date on which the hospital's cost reporting period actually ends. If a hospital's base year cost reporting period is for other than 12 months, we proposed that the update factor would be computed from the midpoint of the cost reporting period to March 31, 1992.

The revised rates of increase in Medicare inpatient capital costs per discharge that will be used to determine the update factors in this final rule are set forth in the table below.

#### ESTIMATED INCREASE IN MEDICARE CAPITAL COSTS PER DISCHARGE

[Percent]

Federal fiscal year	Total increase	Increase in case-mix	Case-mix adjusted increase
1989.....	7.82	2.51	5.18
1990.....	8.37	0.83	7.48
1991.....	10.00	2.00	7.84
1992.....	10.14	2.00	7.98

Based on the revised estimate of the rates of increase in Medicare capital costs per discharge, the following update factors will be used to update a hospital's hospital-specific rate:

#### COMPOUND UPDATE FACTORS FOR HOSPITAL-SPECIFIC RATE

12-month base year cost reporting period ending	Update factor
Jan. 31, 1990.....	1.22185
Feb. 28, 1990.....	1.21453
Mar. 31, 1990.....	1.20725
Apr. 30, 1990.....	1.20002
May 31, 1990.....	1.19283
June 30, 1990.....	1.18568
July 31, 1990.....	1.17858
Aug. 31, 1990.....	1.17151
Sept. 30, 1990.....	1.16449
Oct. 31, 1990.....	1.15719
Nov. 30, 1990.....	1.14993
Dec. 31, 1990.....	1.14272

To compute the update factor, the case mix-adjusted inflation rates are compounded using the number of months in each fiscal year. For instance, the proposed update factor for a cost reporting period ending January 31, 1990 was calculated by monthly compounding as follows: 8 months in FY 1990 to update the midpoint of the cost reporting period to the midpoint of FY 1990, 12 months in FY 1991, and 12 months in FY 1992. Monthly compounding as achieved by taking the twelfth root of the annual update factor and raising that number to the power of the appropriate number of months (that is, to the eighth power for the FY 1990 figure).

*Comment:* Many commenters are concerned about the case-mix index adjustment to the update factor for the hospital-specific rate. These commenters believe that increased patient care resource requirements, termed real case-mix change (as opposed to changes that result from coding improvements), should not be removed from the update factor, and believe that most case-mix change is now real. Some commenters believe that there should be no adjustment for case-mix index change.

*Response:* It would be inappropriate not to adjust for the growth in case-mix index when establishing the update factor used to update the hospital-specific rate. Since the DRG weight is applied to the rate to determine payment, an increase in the case-mix index would, if not removed from the update factor, result in hospitals being paid twice for case-mix change, once in the update factor and once in the higher DRG weights used in the payment for their cases. The rationale for adjusting

the update factor for case-mix increase is the same regardless of whether the case-mix index growth is real or due to coding improvements.

*Comment:* Many commenters believe that the 2.0 percent adjustment used in the February 28, 1991 capital proposed rule is too high, and that case-mix index growth has slowed. Some commenters requested that we use actual case-mix index growth when adjusting the update factor. Other commenters indicate that HCFA's Office of the Actuary has indicated that the case-mix index is increasing at a rate of 1 percent annually.

*Response:* We have seen no evidence that total case-mix increase is declining below 2 percent annually. When we are asked for the latest case-mix data, we caveat the recent experience by pointing out that case-mix for a particular year increases as the data becomes more complete. This pattern of case mix increasing as data become more complete has consistently persisted.

The following table summarizes case-mix increases using data received through July 1991.

Fiscal year	Case-mix increase (percent)
1985 .....	4.18
1986 .....	2.47
1987 .....	2.10
1988 .....	3.25
1989 .....	2.51
1990 .....	2.06
1991 .....	1.73

It should be pointed out that the case-mix increase for fiscal year 1988 was high because of changes made in the DRG classification system that year. The DRG relative weights for fiscal year 1990 were reduced by 1.22 percent. Consequently, we increased the measured case-mix increase for fiscal year 1990 (0.83 percent) by 1.22 percent ( $1.0083 \times 1.0122$ ) to derive the underlying increase in case-mix. The resulting FY 1988 increase is 2.06 percent. The data for fiscal year 1991 are incomplete, and we expect that the case-mix increase will be around 2 percent. In fact, the early months of fiscal year 1991 indicate a case-mix increase greater than 2 percent is likely to occur for the year. Some commenters may be confusing the rate of increase in "real" case mix with the increase in total case mix. For example, we estimated in our proposed FY 1992 update recommendation for the rates under the operating prospective payment system that the FY 1990 "real" case-mix increase was 1.0 percent.

*Comment:* Some commenters suggested that it is inequitable to

uniformly remove case-mix increase for all hospitals, since case-mix increases over time will vary among hospitals.

*Response:* We are removing case mix growth from the update factor, which is based on the aggregate increase in capital costs per case, for the reasons discussed above. The update is not intended to replicate an individual hospital's case mix-adjusted increase in capital costs, but to provide the national average increase as a sufficient increase in capital costs for all hospitals. Further, if a hospital has a low increase in case-mix, that hospital would expect to have a lower increase in its capital expenses than a hospital with a high rate of increase in case-mix. Even though we uniformly remove the projected increase in case-mix from the rate of increase in Medicare inpatient capital costs per discharge, the hospital-specific payments recognize actual changes in case-mix and should result in payments which approximate each hospital's actual experience. We believe the adjustment is equitable.

d. *Exceptions reduction factor.* As explained in section IV.C below, we proposed to reduce the hospital-specific rate (and the Federal rate) by an exceptions reduction factor equal to the estimated additional payments under the exceptions process. In FY 1992, we estimated that additional payments would equal 6.92 percent of aggregate payments based on the Federal rate and the hospital-specific rate. Therefore, we proposed to multiply the hospital-specific rate by an exceptions reduction factor of .9308 ( $1 - .0692$ ). In this final rule, we estimate that the additional payments in FY 1992 will equal 1.87 percent of aggregate payments based on the Federal rate and the hospital-specific rate. Therefore, we have multiplied the hospital-specific rate by an exceptions reduction factor of 0.9813.

e. *Budget neutrality adjustment.* As explained in section IV.E below, we proposed to adjust the hospital-specific rate (and the Federal rate) each year by a budget neutrality adjustment so that aggregate payments for capital in FY 1992 through FY 1995 would equal 90 percent of what would have been payable on a reasonable cost basis that year. In the proposed rule, the FY 1992 budget neutrality adjustment would have increased the hospital-specific rate. We proposed to multiply the hospital-specific rate by a budget neutrality adjustment factor of 1.1088.

In this final rule, we have determined that a budget neutrality factor of 0.9602 is required in FY 1992. Therefore, the intermediary will multiply the hospital-specific rate by 0.9602. The resulting amount as determined by the fiscal

intermediary will be the hospital-specific rate used for each hospital's capital transition payment calculation.

#### Step 2—Identification of Old Capital

We proposed to use a hospital's latest cost reporting period ending prior to October 1, 1990 as the base period to establish a cutoff point to distinguish old capital that would be eligible for a hold-harmless payment from new capital. That is, we proposed to define old capital as an asset that has been acquired and reported on the Medicare cost report for the hospital's base year cost reporting period.

In establishing the old capital definition, we noted that hospitals have had advance notice that capital would be paid for on a prospective basis. In particular, section 601(a)(3) of Public Law 98-21 indicated Congressional intent that in considering the implementation of prospective payments for capital-related costs, costs for capital projects that were obligated on or after the effective date of the system "may or may not be distinguished and treated differently" from costs for projects for which expenditures were obligated before the effective date of capital prospective payments. Thus, hospitals were put on notice that capital obligated before the effective date of capital prospective payments would not necessarily receive special treatment.

In the proposed rule, we also recognized that there may be a time lag of several years between the date a hospital may become obligated for higher capital expenditures and when the asset is put into patient care use and included in the Medicare cost report. This is particularly true for major projects such as plant renovation or expansions. To partially address the concerns of those hospitals that have made capital commitments that would not be eligible for reasonable cost payment under the hold-harmless provision because their base year costs would make them low capital cost hospitals, we proposed to pay a hospital whose hospital-specific rate is below the Federal rate, but whose FY 1992 costs are above the Federal rate (prior to adjustment for exceptions or outliers), on the basis of whichever payment methodology is most advantageous to the hospital in FY 1992. We proposed that this special rule would only be available to hospitals for FY 1992. The FY 1992 determination would establish which payment methodology would be applicable throughout the rest of the transition.

Further, we noted that if future capital obligations result in substantial capital

costs after the base period, an exceptions payment would be available if the necessary criteria are met regardless of whether the hospital is paid under the fully prospective or hold-harmless payment methodology.

We specifically solicited comment on our proposed definition of old capital and on alternative definitions that would include obligated capital. We indicated that any definition that included obligated capital would need to include an appropriate cut-off date that will preclude anticipatory actions by hospitals to obligate capital solely for purposes of favorable treatment under the prospective payment system.

*Comment:* We received approximately 450 comments concerning our proposed definition of old capital. The preponderance of commenters recommended that costs for assets, particularly for buildings and fixed equipment, that have been obligated but have not been put in use should be included in the definition of old capital. Commenters suggested recognition of different cut-off dates for identifying obligated capital extending through September 30, 1991. The most frequently suggested cut-off date was February 28, 1991, the date the proposed rule was published. Commenters submitted a range of criteria for determining if capital has been obligated. The most common included the following definitions:

- Definitions related to demonstrated financial commitment that required the hospital to have incurred substantial expenses prior to the cut-off date.
- Definitions related to whether the hospital had entered into a binding legal contract.
- Definitions related to whether certain actions had been taken, such as formal approval of the capital project by the hospital's Board of Directors, submission of a request for approval of a Certificate of Need, or ground-breaking on a construction project.

Several commenters suggested that in the case of multi-phased projects, recognition could be limited to assets that were put in place by a specific deadline, such as the end of the hospital's first full cost reporting period under the capital prospective payment system.

*Response:* We are persuaded by the commenters that prior expenditure obligations for assets that are put in use for patient care after the base period should be included in the definition of old capital under specific conditions. The final regulations provide as a general rule that capital-related costs for assets that are put in use by December 31, 1990, or that were legally obligated

through a contractual agreement entered into on or before December 31, 1990 and are put in use for patient care before October 1, 1994, will be recognized as old capital costs and will be included in the hold-harmless payment or in the calculation of the hospital-specific rate at the hospital's request. The December 31, 1990 cut-off date coincides with the latest cost reporting period that will be used as a base period to determine the hospital-specific rate. It is preferable to a February 28, 1991 cut-off date for administrative reasons because it avoids the need to make any adjustments in base year cost reports ending December 31, 1990 for assets that were put in use after December 31, 1990 and before February 28, 1991. December 31 is the most common hospital fiscal year ending date.

We are requiring that the capital asset be put in use before October 1, 1994 because we believe that our recognition of obligated capital should not be open-ended and that the September 30, 1994 deadline provides sufficient time for completion of projects which were committed by December 31, 1990. Our intent is to recognize as obligated capital only those projects that were legally committed as of December 31, 1990 as opposed to any project that was planned as of that date. We note that if the hospital is undertaking a multi-phase project, only those phases that were legally committed by December 31, 1990 and are completed and placed in service by September 30, 1994 will be recognized as old capital. Recognizing that there may be situations for which the September 30, 1994 completion deadline may be unreasonable, because of circumstances beyond the hospital's control, we are providing that the deadline may be extended by HCFA for extraordinary circumstances beyond the hospital's control, such as a construction strike or atypically severe weather that significantly delayed work on the project. Normal construction delays would not be grounds for an extension.

Under the general rule, we would define old capital to include contractual obligations for a capital expenditure entered into by December 31, 1990. This obligation would arise from a legally enforceable agreement entered into by a hospital or related party with an outside, unrelated party for the construction, reconstruction, rehabilitation, acquisition, lease, or financing of a capital asset. Agreements for feasibility studies or for preliminary architectural designs or site plans will not be recognized for this purpose. This is because these agreements are for planning services to assist the hospital in evaluating the advisability and

feasibility of a potential project and do not commit the hospital to undertaking the project. A contract with an architect or construction manager for the actual construction work would constitute a legal obligation to proceed with the project and would be recognized. Similarly, the fact that the hospital has initiated financing arrangements would not be sufficient if the hospital was not legally obligated to carry out the financing of the capital asset. A binding loan agreement or bond purchase contract constitutes a legal obligation that would be recognized. The agreement must be in writing and signed by authorized representatives of both parties. The date on which the agreement became binding must be clearly indicated. The agreement will be subject to review and verification by the intermediary.

We believe that, in most cases, the determination of the existence of a binding enforceable agreement will be relatively straightforward and can be made by the intermediaries. For purposes of determining whether an agreement is binding, we will generally not accept agreements that lack specific provisions spelling out the obligations of the parties. We would also question agreements that do not contain penalty or forfeiture provisions, or which limit damages to a specified amount (e.g., by use of a liquidated damages provision). An agreement may be considered enforceable even if subject to a condition. However, we would question agreements that have conditions that are under the control of either party or a predecessor. To address issues concerning whether individual agreements create an enforceable obligation under State contract law, we will establish an internal process for legal review of such agreements.

We are limiting the actual reasonable costs of obligated capital that will be recognized as old capital to the estimated costs of the capital expenditure at the time it was obligated. We will allow additional costs that are documented as a revised estimate of the project costs only if that estimate was determined before January 1, 1991. Additionally, we would recognize additional costs that are directly attributable to changes in life safety codes or other building requirements established by certificate of need approval or by Federal, State, or local ordinance that occurred after the project was obligated. Other increases in project costs, such as those resulting from changes in project specifications or from construction delays, would not be recognized as old capital but would be

allowable as new capital-related costs. Similarly, we would recognize as new capital any increased costs arising from changes in the nature of an enforceable agreement which occur after the cut-off date but which "relate back" to the initial date of the agreement under State law or under the terms of the original or any subsequent agreement.

We believe it is reasonable to place limitations on the amount of expenditures for obligated capital that will be recognized as old capital. Open-ended recognition would make the Medicare program vulnerable to contract modifications for additional features that were not contemplated as part of the original commitment. Although it may be appropriate for the hospital to make these project modifications in response to changing circumstances, they are new capital commitments and should be treated as such under the capital prospective payment system. It would also be inequitable to other hospitals to treat the additional features as old capital.

The limitation on the amount of obligated capital that will be recognized will be based on only those assets that were legally obligated as of December 31, 1990. It will not include, for example, the cost of moveable equipment that will be acquired when a new facility is put in use unless a contractual agreement for the purchase of the equipment was entered into by December 31, 1990. If there is no binding agreement for its purchase, moveable equipment will be treated as obligated capital only if both of the following requirements are met: (1) Legally binding financing agreements were made for the purchase of the equipment prior to January 1, 1991 and (2) the equipment is an item costing at least \$100,000 and was specifically listed in an equipment purchase plan approved by the Board of Directors prior to January 1, 1991.

The amount that will be recognized as old capital cannot exceed the lesser of the actual allowable construction costs or the estimated construction costs as of December 31, 1990. For construction projects, the actual allowable construction costs for the project will be determined when the asset is put in use. Any actual allowable construction costs in excess of estimated construction costs will be recognized as new capital when the asset is put in use for patient care. Interest expenses will be limited to the amounts for which the hospital was legally obligated as of December 31, 1990. Interest costs not legally obligated as of that date will be treated as old capital only to the extent specified in a detailed financing plan approved by the

Board of Directors prior to January 1, 1991 for a capital acquisition that was legally obligated prior to January 1, 1991.

The limitation on obligated capital costs will apply only to the amount of the project's construction, financing, and moveable equipment costs. Other costs that are related to the project and are capitalized as part of the asset's historical costs, such as legal and architect fees and planning costs, are not subject to the limitation and will be eligible for a hold-harmless payment when the asset is put in use. In addition, a proportionate share of other capital-related costs associated with the asset that are incurred after the asset is put in use will be recognized as old capital.

The intermediary will rely on the best evidence available to establish from the outset the scope of the project and the limitation on costs for obligated capital that will be recognized as old capital. Ordinarily, the limitation for assets acquired by lease or purchase will be based on the cost specified in the purchase or lease agreement for the asset. For projects involving construction, primary sources for this information would be the project description and the estimated cost identified in contractual documents related to financing the project and the maximum guaranteed price specified in the construction contract. We recognize that there may be situations where contractual documents related to financing or construction may not be satisfactory sources for the limitation. Examples would include situations involving equity financing at the initial project stage, phased financing for a single project stage, a cost-plus construction contract, or multiple construction contractors for a single project phase. In these cases, the intermediary will consider other sources of documentation regarding the scope of the anticipated project and its costs, such as the description and cost approved by a formal vote of the Board of Directors in undertaking the project or the estimated costs for the project (or the detailed description of each specific project phase and the cost of each phase in the case of multi-phase projects) that was submitted as part of a CON approval process. If the hospital cannot document the project description (for each phase) and the estimated cost for the project as of December 31, 1990, the expenditure will not qualify as old capital.

We are providing an exception for major capital projects undertaken by hospitals located in States with a lengthy Certificate of Need (CON) process. The commenters noted that the

CON approval process can effectively delay a planned capital expenditure for as long as 6 months to 2 years or more. In most cases, we would expect hospitals to take the CON approval process into account in their capital planning, so that a project is completed on the desired schedule. Consequently, we do not believe that hospitals located in States with CON programs warrant special treatment as a class. At the same time, we do not believe that hospitals located in CON States should be disadvantaged if they reasonably anticipated the CON approval process in their capital planning, as evidenced by initiation of the CON approval process well in advance of December 31, 1990, but are unable to meet the December 31, 1990 cut-off date for obligated capital because timely CON approval was not received. To recognize those situations where there is a lengthy CON process and a hospital may have deferred its legal commitments until CON approval was received for the project, we are providing that a capital expenditure that does not qualify as old capital under the general rule may nevertheless qualify if all of the following conditions are met:

- The hospital is required under State law to obtain pre-approval of the capital project by a designated State or local planning authority in the State in which the hospital is located;
- The hospital filed by December 31, 1989 an initial application meeting the requirements of the State that includes, at a minimum, a detailed description of the project and its estimated cost, and had not received approval or disapproval by September 30, 1990;
- The hospital expended the lesser of \$750,000 or 10 percent of the estimated project costs by December 31, 1990; and,
- The project is completed and the asset is put in use before the earlier of 4 years from the date CON approval is received or October 1, 1996.

Under this exception, we are requiring that the hospital have spent the lesser of \$750,000 or 10 percent of the estimated project cost by December 31, 1990 in order to identify those situations where the hospital made a significant financial commitment. We believe that it is appropriate to extend the hold-harmless protection only to those situations involving prior capital commitments. If a hospital submitted a CON application but did not undertake any legal obligations or incur substantial cost in the planning process, the hospital was neither legally nor financially committed to the planned project as of December 31, 1990. For purposes of determining whether the \$750,000 or 10 percent



limitation is met, we will recognize reasonable costs incurred by the hospital that are directly related to the planned capital expenditure and would be capitalized as part of the depreciable asset's historical cost. This includes legal, architect and accounting fees, and costs incurred by the hospital for studies, surveys, designs, plans, working drawings, specifications and other activities related to the capital expenditure. It does not include marketing or generally feasibility studies that relate to overall institutional strategic planning activities that are recognized as operating costs. Further, it does not include non-depreciable costs of land but does not include depreciable land improvements.

The limitation on the amount of obligated capital that will be recognized as old capital will apply to projects recognized under the exception. The limitation will be based on any portion of a project that requires a CON determination. In most cases, this would include fixed capital projects and major moveable equipment meeting a specified dollar threshold. (Any other portion of a project would be subject to the general requirements (that is, legally enforceable agreements) applicable to recognition of obligated costs as old capital.) Consistent with the definition of legally obligated capital, it would not include equipment that would be purchased when the project was completed unless separate CON approval is required. In this case, the item of equipment must cost more than \$100,000 and an initial certificate-of-need application must have been filed by December 31, 1989 for the item of equipment. An expansion in the scope of the project or a change in its nature after December 31, 1990 will not be recognized unless specifically required by the planning agency as a condition for approval. If the approval involves a reduction in the scope of the project, the estimated costs of the project that will be recognized as old capital will be reduced accordingly.

Finally, the circumstances described by individual commenters indicated there may be isolated instances in which a hospital has actually started a major construction or renovation project without entering into a legal commitment for financing or construction by December 31, 1990. This could occur, for example, if the hospital initiates the construction work with an internal work force and equity financing. To accommodate these situations, we are providing that a fixed capital project that does not qualify under the general

rule may still qualify if all of the following conditions are met:

- If required, the hospital received CON approval on or before December 31, 1990;
- The hospital's Board of Directors formally authorized the project, with a detailed description of its scope and cost, on or before December 31, 1990;
- The estimated cost of the project as of December 31, 1990 exceeds 5 percent of the hospital's total patient revenues during its base period;
- The capitalized cost that had been incurred for the project as of December 31, 1990 exceeded the lesser of \$750,000 or 10 percent of the estimated project cost;
- The hospital began actual construction or renovation ("groundbreaking") on or before March 31, 1991; and,
- The project is completed before October 1, 1994.

We are requiring that the estimated cost of the project exceed 5 percent of the hospital's total patient revenue during the base period to ensure that this exception is applicable only to hospitals that have undertaken a substantial renovation or construction project, rather than a routine replacement or improvement. We are establishing a March 31, 1991 cut-off date for the physical initiation of the project in recognition that there is some delay between the time a project is formally authorized by the Board of Directors and when the actual construction work begins. If the hospital had been legally obligated for the construction as of December 31, 1990, it would not be unreasonable for the groundbreaking to have occurred within three months.

Hospitals that will be affected by the rules for recognition of obligated capital must advise their intermediary in writing of the existence of obligated capital no later than 90 days after the start of their first cost reporting period under the capital prospective payment system. The hospital must submit supporting documentation to substantiate that the capital was obligated as of December 31, 1990, the scope of the project, and the amount of the obligation. For construction projects, the hospital must submit documentation regarding estimated total construction and interest costs. So that hospitals will know in advance whether a project will be recognized as old capital and the limitation on the total project cost that will be recognized, the intermediary will advise the hospital of its determination before the close of the hospital's first 12 month cost reporting period under the

capital prospective payment system. The intermediary's determination will be contingent on the asset being put in use by the applicable deadline.

We note that costs incurred by a provider for plans to construct or purchase a facility (expansion, rebuilding, or relocation) which are later abandoned are not capital-related costs. Abandoned planning costs are not capital-related costs because they do not result in the acquisition of land or depreciable assets used to render patient care. Therefore, there are no capital assets to which the abandoned planning costs relate. Accordingly, abandoned planning costs cannot be considered capital-related costs and will not be recognized as old capital costs.

### Step 3—Determination of the Hold-Harmless Payment Amount

Subject to a budget neutrality adjustment (see section IV.D below), we proposed to pay hospitals under the hold-harmless payment methodology for 90 percent of the Medicare reasonable costs for depreciation and interest expenses related to old capital. We proposed that the depreciation and interest costs related to old capital for each transition year would be determined on an interim basis based on data from the most recent available cost report, adjusted to estimated current year cost levels. Subsequently, once audited capital cost and discharge data are available for the applicable fiscal year, a final determination of the payment amount for old capital costs would be made as part of the cost report settlement process. Thus, for FY 1992, we proposed that an interim determination of FY 1992 old capital costs would be made based on data for the base period cost reporting period adjusted to estimated FY 1992 levels. Subsequently, a final determination would be made, and applied retrospectively, based on audited FY 1992 capital cost and discharge data.

For depreciable assets that were reported on the hospital's base year cost report, we proposed that the allowable depreciation and interest costs related to the assets in a given transition year would be eligible for the hold-harmless payment in that year. As the old capital assets are retired, the amount of the hospital's hold-harmless payment would decline. In this regard, we noted that betterment and improvement costs and replacement costs for old capital occurring subsequent to the base period would be considered new capital costs.

*Comment:* Most commenters expressed the need for more consistent treatment of the components of capital-



related costs between cost reimbursement rules and capital prospective payment rules. They indicated that old capital costs should not be restricted to depreciation and interest expenses on old capital, but should be expanded to include all components of capital-related costs associated with land or depreciable assets that meet the definition of old capital, including those incurred by a related organization or home office. Without this expansion, the commenters indicated that old capital costs would be unreasonably understated, the new capital payment would be insufficient for hospitals with disproportionate lease or related organization costs, and hospitals would not be adequately protected for their prior capital commitments under the hold-harmless payment methodology. Some commenters recognized that capital-related costs other than depreciation and interest may remain constant or increase over time and suggested ways to limit or phase-out Medicare's hold-harmless payment for these costs. For example, some suggested that a hold-harmless payment for leased assets should not extend beyond the useful life of the asset. For taxes or other capital-related costs that are not directly related to a specific asset, suggestions either involved continuing to recognize as old capital the cost levels as of the cut-off date or apportioning these costs between old and new capital based on their respective asset values.

*Response:* We agree that the definition of capital-related costs used to determine old capital and new capital amounts should be as consistent as possible with the definition that is used for cost-based payment. In this final rule, we are including in the definition of old capital, along with interest and depreciation costs, other capital-related costs defined in § 413.130 (that is, lease and rental payments, taxes, etc.), subject to certain specified limits discussed below.

For lease and rental costs, we will recognize the allowable lease or rental payment amount in effect in the base period. We will also recognize lease renewals up to the annual payment level obligated as of December 31, 1990, as long as the same asset remains in use and the asset has a minimum useful life of 3 years and an annual lease or rental cost of at least \$1,000. Any additional lease payment costs as well as lease and rental payments on renewals that do not qualify as old capital will be treated as new capital costs. If the lease covers multiple units of equipment, for example, a number of hospital beds, the

determination will be made individually based on the average lease payment for each item.

We note that this policy applies to leases and rentals of land used to furnish patient care services as well as depreciable assets. Since § 413.130 does not explicitly list leases and rentals of land as at capital-related cost, we are revising § 413.130(b) to include these costs.

In the case of taxes, insurance, license and royalty fees, we will recognize the portion of the allowable cost resulting from applying the ratio of gross asset value for old capital to total gross asset value each year. With respect to related organization capital costs, including home office costs, we will recognize allowable costs on the same basis as other capital-related costs, subject to adequate documentation supporting the identification of old capital and the allocation of associated costs that would be recognized as old capital-related costs if directly incurred by the hospital.

*Comment:* Many commenters requested that old capital be paid at 100 percent of reasonable costs. Most arguments in support of that level of payment for old capital implied that a proper hold-harmless or "grandfathering" provision would completely indemnify hospitals for allowable costs associated with prior capital commitments. A few commenters suggested that the hold-harmless payment could be further discounted to account for increased program payments resulting from an expanded definition of old capital.

*Response:* As we pointed out in the February 28, 1991 proposed rule (see 56 FR 8491), we must discount the payment level for old capital payments under the hold-harmless methodology in order to assure that we have sufficient amounts to pay for new capital spending. We also noted that the level of payment would be affected by the results of estimated costs and payments produced under our dynamic actuarial model that considers all major factors in the capital prospective payment system, including projected exceptions payments (56 FR 8480). Due to the changes we are adopting based on consideration of the public comments on the February 28, 1991 proposed rule, we are reducing the payment percentage on old capital payments to 85 percent for all hospitals except sole community hospitals. Sole community hospitals will have no discount applied to their old capital payment under the hold-harmless methodology and will be paid 100

percent or reasonable costs for old capital.

We are reducing the old capital payment percentage because of the broadened protection provided to all hospitals through the expanded old capital definition and to specific classes for vulnerable hospitals in the final rule. We believe that this change will not severely disadvantage most hospitals since they have already adjusted to capital payment based on 85 percent of reasonable costs over the last few years. However, sole community hospitals have been paid based on 100 percent reasonable costs, and we believe it is appropriate to continue this payment level for their old capital. With the revised old capital payment levels we are establishing in this final rule, we believe that adequate funds will be available for new capital expenditures and for the recognition of obligated costs in the old capital definition. Although the higher discount affects most high capital cost hospitals, many will benefit significantly from the expanded old capital definition so that aggregate old capital costs will be larger and paid for at a higher rate than they would be as a percentage of the Federal rate if retained as new capital. Thus, we believe the advantages gained from the changes we are making in this final rule more than balance the old capital discount increase required to fund those changes.

*Comment:* Several commenters requested clarification of how the capital costs would be defined under the hold-harmless methodology if, after the base year, a hospital sells an asset and then enters into a lease agreement with the new owner to use, or continues using the asset.

*Response:* In a sale-and-leaseback transaction involving old capital assets, we will continue to recognize the assets as old capital. However, we will limit the amount of old capital costs that will be recognized after the transaction to the amount of allowable old capital costs recognized for the same asset(s) in the last cost reporting period those assets were owned by the hospital before the leaseback was entered into. Thus, the hospital will not be held harmless for any increased costs resulting from the sale-and-leaseback agreement. Instead, those costs will be considered new capital costs. This is consistent with our general policy of extending the hold-harmless protection only to prior capital commitments. This approach is also consistent with the limitation on the valuation of a new owner's basis in an asset that undergoes

a change in ownership, set forth in section 1861(v)(1)(O) of the Act.

*Comment:* One commenter asked how the policy for determining old capital costs would be applied in situations where a portion of a hospital's facility is rented or leased to a related or unrelated party in the hospital base year and is subsequently used by the hospital for patient care services during the transition. The commenter also questioned how we would treat the costs if two related hospitals occupied different parts of the same, jointly owned, structure and one facility leased space it had used for patient care in the base period to the other facility during the transition period.

*Response:* If a hospital leased space in its building to another party during its base year, the space will be treated as a non-reimbursable cost center in the base period, and its costs will not be included in the hospital's hospital-specific rate. No payment will be made for the leased space as long as it remains a non-reimbursable cost center. If the hospital subsequently takes possession of the space and uses it for patient care, the capital-related costs for the new space will be recognized as old capital. This policy applies to space that is leased to either a related or an unrelated party.

Related organization costs are included in the hospital's allowable capital-related costs only to the extent the costs are related to patient care services in the hospital. These rules will continue to apply during the transition. If Hospital A leases space to Hospital B, a related organization, the space costs incurred by Hospital A are non-reimbursable to Hospital A, but are allowable costs for Hospital B. If the space costs qualify as old capital for Hospital A, they would also qualify as old capital for Hospital B. If Hospital B is paid under the hold-harmless methodology, the costs would be eligible for a hold-harmless payment.

*Comment:* A commenter requested clarification regarding whether a hospital would be allowed to change how a hospital allocates its capital-related costs for Medicare cost report cost-finding purposes. Specifically, the commenter asked whether capital-related costs for outpatient services could be directly assigned to the outpatient areas.

*Response:* The proposed rule indicated that hospitals would be required to follow the reasonable cost principles consistently throughout the transition period (56 FR 8487). There are various provisions in the Provider Reimbursement Manual (HIM 15-1) that allow hospitals to change past cost accounting on their books and records

or through the Medicare cost report (HCFA Form 2552). Section 2304 of the Provider Reimbursement Manual requires that financial and statistical records should be maintained in a consistent manner from one cost reporting period to another. However, provided that full disclosure of a significant change is made to the intermediary, a proper regard for consistency does not preclude a desirable change in accounting procedures. Changes in accounting procedures that must be approved by the intermediary prior to the beginning of the cost report period effectuating the changes include: Changing the cost-finding method described in sections 2306 and 2310 of the Provider Reimbursement Manual, the direct assignment of general service costs described in section 2307, and changes in the bases for allocating cost centers or the order in which cost centers are allocated described in section 2313.

Since the inception of the operating prospective payment system, there has been concern that hospitals have shifted costs to the outpatient departments through changes in their cost-finding methodologies. While we do not believe that it would be appropriate to preclude all changes in cost-finding during the transition period, we do believe it is important for the intermediary only to approve those changes that result in more accurate cost-finding rather than a mechanism to shift capital-related costs to the outpatient areas where they would be payable on a reasonable cost basis.

Moreover, to be consistent with the determination of the hospital-specific rate, it is important that the hospital continue the same bases of cost allocation for old capital throughout the transition. Since the hospital-specific rate affects not only the payment to fully prospective hospitals but also the determination of the applicable payment methodology, we believe that consistent cost allocation is important for high capital cost hospitals as well as low capital cost hospitals. Therefore, we are providing that a hospital that has not directly assigned capital to the various patient care cost centers in the past, cannot begin to directly assign these costs in the future. For example, if the hospital has allocated moveable equipment on square footage, it would be required to allocate moveable equipment that qualifies as old capital on square footage during the transition. Before the hospital could allocate new capital equipment on a different basis, the hospital would need to obtain the intermediary's approval. Similarly, if the hospital has not assigned fixed capital

by building component, the hospital cannot allocate old capital on this basis in the future. A change in allocation methodology for old capital will be allowed only in the case of change of ownership to conform with the new owner's methodology if different from those of the prior owner. Any change in allocation method for new fixed capital would require the intermediary's approval.

*Comment:* One commenter pointed out that the proposed rule did not address which asset useful life guidelines should be used for capital prospective payment determination purposes and noted that although current program instructions state that the 1983 AHA useful life guidelines must be used, later issuances are available.

*Response:* We are aware that a 1988 edition of useful life guidelines has been issued by the American Hospital Association (AHA). We are currently reviewing those guidelines and may adopt them in whole or in part for assets acquired by providers in the future. However, although the 1983 edition of AHA useful life guidelines is the latest edition authorized in the Provider Reimbursement Manual (HIM-15-1), authority exists in that manual, as well as the supporting regulations § 413.134(b)(7)(i) for the intermediary, upon the provider's request and adequate support, to approve a different useful life for individual assets.

*a. Cost reporting requirements.* Beginning with cost reporting periods ending in FY 1991, we proposed to require that hospitals separately maintain, and fiscal intermediaries verify, the identity of the old capital assets and their related depreciation and interest expenses and that they track scheduled depreciation and remaining interest on debt related to the old capital assets. Similarly, we proposed that new capital acquisitions and expenses would be separately identified and maintained.

We proposed to revise hospital cost reporting forms for future periods to provide for the following specific reporting categories:

- Separate identification of interest and depreciation by old and new capital categories.
- Separate identification of other capital costs.
- Identification of all new acquisitions, sales and retirement of capital assets.

*Comment:* A number of commenters urged that HCFA issue guidelines limiting the reporting requirements and administrative burdens that intermediaries may impose on hospitals.

The commenters noted that some hospitals would have substantial difficulty in providing the documentation necessary to distinguish old capital from new capital and that the cost reporting forms should be changed as quickly as possible. A few commenters suggested that a hospital paid under the hold-harmless methodology should be allowed a one time option of moving directly to 100 percent of the Federal rate in lieu of receiving hold-harmless payments.

**Response:** We are sensitive to the reporting burden that will be imposed on hospitals receiving a hold-harmless payment for old capital and will seek to minimize the burden wherever possible. However, the increased reporting burden is directly attributable to our decision to respond favorably to the industry's request that prior capital commitments be protected under the capital prospective payment system.

As part of the base year audit determinations, intermediaries will obtain the necessary information from hospitals to identify old capital, including obligated capital. The reporting requirements for cost reporting periods beginning on or after October 1, 1991 will be modified based on the policies in this final rule. At a minimum, hospitals receiving a hold-harmless payment for old capital will be required to report separately those capital-related costs that are directly attributable to old capital and new capital, respectively. In addition, these hospitals will be required to maintain the statistics needed to apportion other capital-related costs such as taxes and insurance between old and new capital costs.

Even though payments to hospitals that are paid under the fully prospective payment methodology do not depend on separate identification of old and new capital costs, these hospitals may request a redetermination of their hospital-specific rate based on current year old capital costs through the later of their cost reporting period beginning in FY 1994 or the first cost reporting period beginning after obligated capital that qualifies as old capital is put in use. Similarly, as discussed in Step 4 below, hospitals that are paid based on 100 percent of the Federal rate may switch to a hold-harmless payment for old capital through the same cost reporting periods if it will result in higher payment. These hospitals must maintain adequate documentation to identify old capital costs and support the change in payment methodology.

A hospital paid under the hold-harmless methodology that does not maintain sufficient documentation to

substantiate its old capital costs will be paid based on 100 percent of the Federal rate. In addition, we will allow a hold-harmless hospital to elect to be paid 100 percent of the Federal rate without a determination of whether the hold-harmless payment would result in higher payment. As is the case with other hospitals paid based on 100 percent of the Federal rate, the hospital may switch to the hold-harmless payment through the later of its cost reporting period beginning in FY 1994 or the first cost reporting period beginning after obligated capital that qualifies as old capital is put in use, provided the hospital is able to substantiate its old capital costs in that cost reporting period and the hold-harmless payment would result in higher payment. Thereafter, a hospital paid based on 100 percent of the Federal rate will continue to be paid on that basis even if it is subsequently able to document its old capital costs.

**b. Interest expense.** Interest expense, as described in § 413.153, is an allowable capital-related cost allowable capital-related cost under § 413.130(f) if it is incurred in acquiring land or depreciable assets used in patient care, or in refinancing existing debt if the original purpose of the refinanced debt was to acquire land or depreciable assets used for patient care. If a loan is obtained to finance the acquisition of land and/or depreciable assets and the loan principal exceeds the purchase price of the assets, the interest expense on the portion of the loan principal that exceeds the asset value is considered general operating expense if the additional borrowing for working capital is necessary. If investment income offset against interest expense is required under § 413.153(b)(2)(iii), the portion of interest income that is offset against capital-related interest expense is based on the ratio of capital-related interest expense to total interest expense. It is important for hospitals to distinguish operating interest from capital-related interest appropriately since interest on funds borrowed for operating expenditures is included in the prospective payment under the prospective payment system for operating costs, while interest on funds borrowed for capital expenditures is paid for on a reasonable cost basis prior to cost reporting periods beginning on or after October 1, 1991 and will be included in the hospital's payment under the capital prospective payment system thereafter.

We proposed to determine the amount of capital-related interest expense and the appropriate allocation of that expense between new and old capital

based on current regulations (§ 413.153) and program guidelines (see section 3202.1 of the Provider Reimbursement Manual (HCFA Pub. 15-1)). Under these provisions to be allowable cost, interest expense must meet the following criteria:

- Supported by evidence of an agreement that funds were borrowed and that payment of interest and repayment of funds are required.
- Identifiable in the hospital's records.
- Related to the reporting period in which the costs are incurred.
- Necessary and proper for the operation, maintenance, or acquisition of the hospital's facilities.

Once the allowable capital-related interest expense is determined, it must be properly classified as either old or new capital cost. In determining the amount of interest expense that would be considered old capital cost and would be eligible for a hold-harmless payment, we proposed that if the interest expense solely relates to a debt instrument that was in effect for old capital in the base year, the allowable capital-related interest for that debt would be eligible for a hold-harmless payment as old capital costs.

We proposed that when hospital financing activities result in a revision of the debt instrument applicable to old capital, the amount of interest expense related to old capital cannot exceed the amount of interest expense that would have been recognized prior to the revision of the debt instrument. If there is a commingling of debt on old and new capital, the interest expense must be distributed between old and new capital based on the loan principal as it relates to each category. We provided the following example in the proposed rule:

Assets covered under loan	Loan principal
Outstanding loan balance for old capital .....	\$240,000
Newly financed additions or improvements .....	60,000
Total consolidated loan.....	300,000

Of the \$300,000 total new outstanding principal amount, \$240,000 is for the outstanding loan principal on the old assets, and \$60,000 is for betterments and improvements. Annual interest on the loan is at 10 percent and thus is equal to \$30,000. The allocation to old capital and new capital is shown below:

Interest expense for Old Capital:

$$\frac{\$240,000}{\$300,000} \times \$30,000 = \$24,000$$

Interest Expense for New Capital:

$$\frac{\$60,000}{\$300,000} \times \$30,000 = \$6,000$$

Total Interest Expense = \$30,000

However, the terms of the old loan on the old capital stipulated a 9 percent interest rate with the loan to be paid over a 10-year period for which five years have elapsed. If the new loan is to be paid over a 10-year period, we indicated that only \$21,600 ( $\$240,000 \times .09$ ) in interest expense for the remaining five years that would have been recognized under the terms of the old loan would be recognized during the transition period as old capital.

In determining the amount of allowable interest expense for old capital, we proposed that investment income would be offset against old capital interest expense based on the ratio of old capital interest expense to total interest expense.

There are some cases in which a hospital may, for a variety of reasons, undertake advance refunding (that is, replace existing debt prior to its scheduled maturity with new debt). We proposed that the revenues and expenses associated with the advance refunding would be treated in accordance with the principles set forth in section 233 of the Provider Reimbursement Manual. We indicated that if a hospital has consolidated various individual debts through advance refunding, the interest expense on the new debt would be allocated between old and new capital based on the old debt balances that were refinanced, and that the interest expense could not exceed the interest expense that would have been allowable under the old debt.

We proposed to develop further refinements and clarifications to the cost-finding rules and the cost reporting methodology for interest expense through HCFA's administrative issuances system.

*Comment:* Several commenters suggested that we need to make clear the basic principle underlying the allocation of interest expense to old and new capital. The commenters believe that all allowable interest expense related to old capital assets should be eligible for a hold-harmless payment. In particular, some commenters indicated that in order to avoid penalizing hospitals that use short-term financing

arrangements, costs for debt that is an extension or "roll-over" of existing debt that becomes due during the transition should continue to be classified as old capital costs as long as the asset remains in use. The commenters suggested that interest expense on the "roll-over" debt should be allocated between old and new capital based on their respective gross asset values.

*Response:* We do not accept the commenter's basic premise that all allowable interest expenses for old capital should be eligible for a hold-harmless payment as long as the asset remains in use and without regard to the hospital's actual financial commitments as of December 31, 1990. During the transition period, we are providing protection to hospitals for their prior capital-related cost commitments. With respect to interest expense and other financing costs, the protection is for indebtedness related to the acquisition of land and depreciable assets that qualify as old capital. With one exception, the amount of the protection is limited to the hospital's contractual obligations as of December 31, 1990. The exception is for indebtedness related to capital acquisitions that qualify as old capital under the rules for recognizing capital obligated prior to December 31, 1990. As long as the hospital retains the same financing arrangements throughout the transition for its old capital as was in effect on December 31, 1990, the allowable interest expense and other financing costs will be eligible for a hold-harmless payment as old capital costs. This protection would continue even if the assets which resulted in the indebtedness were no longer in use.

However, we recognize that for a variety of reasons a hospital may change its financing arrangements for old capital. As a general principle, the amount of interest expense that we will recognize as old capital costs under a refinancing of existing debt for old capital is limited to the amount that would have been recognized under the terms of the old debt during the transition. Any remaining allowable capital-related interest expense would be payable as new capital costs. If the hospital refinances the old capital debt in the same debt instrument as it uses to finance a new capital acquisition, the interest expense must be allocated between old and new capital. In this situation, we will use the methodology that we set forth in the proposed rule, and will allocate the interest expense between old and new capital based on the proportion of the loan principal that relates to each category. As is the case with other changes in financing arrangements, the amount of debt that

will be recognized as old capital is limited to the amount that would have been recognized under the terms of the old debt during the transition.

Thus, interest expense will, for the most part, be allocated to old or new capital costs based on the hospital's capital obligations as of December 31, 1990 for old capital. If the hospital enters into initial financing arrangements for obligated capital that qualifies as old capital after December 31, 1990, the costs related to this indebtedness would also be eligible for a hold-harmless payment provided the specified criteria are met. This general policy will protect hospitals for their prior financing commitments while protecting the Medicare program from changes in financing arrangements to take advantage of the reasonable cost payment for interest expense under the hold-harmless provision.

We believe that the commenters raise an important issue with respect to short-term debt that is rolled-over or extended during the transition. While we agree with the commenters that hospitals using short-term financing to take advantage of lower interest rates should not be penalized, we also believe that the Medicare program should not be expected to pay unlimited interest expense under the hold-harmless provision for debt that is rolled-over. If a long-term debt instrument is used, the interest expense declines over time as the principal is repaid. If no principal repayment occurs under short-term financing and the debt is rolled-over each time it becomes due, the interest expense continues at the same level (assuming no change in interest rates, which could be more or less favorable than the rate on the original debt) and total Medicare payments for interest expense would be higher than if a long-term debt instrument had been used. Further, if we place no limit on interest expense for roll-over debt under the hold-harmless provision, hospitals will have an incentive to extend financing on old capital in order to reduce borrowing on new capital that would be covered under the prospective payments. To allow for some recognition of roll-over debt under the hold-harmless provision while protecting the Medicare program from excessive interest payments, we are providing for a limited exception to the general policy that the old capital cost resulting from a refinancing of debt on old capital cannot exceed the amount of interest that was payable on the old debt instrument. Under this exception, we will recognize as an old capital cost a portion of the allowable interest on indebtedness for old capital that is

extended or rolled over when it becomes due provided the asset remains in use. The total allowable interest expense on the indebtedness that will be recognized as old capital costs will be based on the ratio of the asset's current net asset value to its net asset value in the base year. If the debt is related to specific assets, it will be allocated based on the values for those assets. If the debt is not related to specific assets, the total allowable interest expense will be allocated to old capital costs based on the ratio of total net asset value for old capital in the current year to total net asset value for old capital in the base year. Net asset value is defined as the total Medicare recognized depreciable value of the assets less than accumulated depreciation up to the applicable cost reporting period. Old capital that was acquired with other identifiable debt instruments will be excluded from the old capital asset value ratio.

**Example:** Hospital B was a new hospital in 1970. The original building and equipment was financed with a mortgage. Since then, Hospital B has financed a series of equipment purchases through short-term financing that has been rolled over several times so that the debt can no longer be related to specific assets. In 1994, the hospital rolls-over a 5 year note that had been issued in 1989. In determining its ratio of net asset value in the current year to its net asset value in the base year for purposes of determining the amount of interest on the new note that will be considered old capital costs, the net asset values of the building and original equipment will be removed from the ratio.

We believe that the ratio of current net asset value to base year net asset value for old capital is a reasonable basis for allocating the interest costs between old and new capital costs. It is preferable to the ratio of gross assets for old capital to total gross assets suggested by some commenters for several reasons. First, the indebtedness is related to old capital assets because it is a refinancing of indebtedness on old capital. To include assets in the ratio that were not directly related to the debt which is rolled-over and which may have been financed through other debt instruments does not appear appropriate (although the refinancing may have reduced the need for borrowing to acquire new capital). Second, the gross asset ratio would continue to allocate interest expense to old capital indefinitely, as long as the assets remain in use. In contrast, a long term debt instrument is generally for less than the useful life of the assets and the interest expense would end before the asset is fully depreciated. The ratio we are using under the exception for roll-over debt

will continue to recognize interest expense of depreciable assets until they are fully depreciated. We believe that the ratio will result in recognition under the hold-harmless provision of interest expenses that are reasonable in relation to the interest expense that would be recognized if a long-term financing arrangement had been used. In this regard, we note that although interest payments under a long-term debt instrument decline less rapidly than net book value during the early loan years, in the case of short-term debt, these years will be financed by the debt instrument in effect as of December 31, 1990 and will be allocated in full to old capital costs until it expires.

**Comment:** One commenter believes that we have incorrectly assumed that the only way old and new capital could be commingled in a single debt instrument would be through a refinancing of debt. The commenter further believes that we incorrectly assume that the point at which the debt is refinanced is identical to the cut-off point for old capital. The commenter asserted that these assumptions lead us to substitute the financing instrument for the asset in distinguishing between old and new capital. The commenter stated that it is possible that several assets financed by a single debt instrument came "on line" at different points in time (for example, a phased-in project) and that only some of those assets qualify as old capital. Another example would be a situation where several existing debts relating to old and new capital have been consolidated in the past. The commenters concluded by recommending that we explain the allocation of interest expense in the more general case in which old capital and new capital are commingled within a single debt instrument.

**Response:** We believe that the explanatory language and the example in the preamble to the proposed rule (52 FR 8490), while not designed to describe every possible situation in which interest expense related to old capital and new capital could be combined into a single debt instrument, is adequate to describe the more common situations. We stated that when the hospital's financing activity results in a commingling of debt on old and new capital, the interest expense must be distributed between old and new capital based on the loan principal as it relates to each category. The same allocation would be used in the case of the proceeds of a single debt instrument being used to finance several assets that came "on-line" at different times, such that only some of the assets qualify as old capital. With the exception of

obligated capital that qualifies as old capital, the amount of interest expense allocated to old capital cannot exceed the amount of interest expense that would have been recognized under the hospital's financing agreements as of December 31, 1990.

**Comment:** Commenters questioned the classification of increased interest expenses for old capital that are attributable to an increase in interest rates from one transition year to another under a variable rate financing arrangement, or when a debt is converted from variable to fixed rate terms.

**Response:** We are clarifying that the limitation on the amount of allowable interest expense that will be recognized as old capital costs does not apply to increases due to annual fluctuations in rates in variable interest rate loans or at the time of conversion from a variable rate loan to a fixed rate loan provided there is no change in the other terms of the loan.

**Comments:** One commenter has pointed out that, in connection with a debt refinancing or consolidation, we have not stated our policy in a situation where the refinancing or consolidation results in decreased interest expense.

**Response:** If the refinancing or debt consolidation results in a decrease in interest expenses, the old capital portion is based on the proportion of the loan principal that is attributable to old capital. Thus, the amount of interest expense that is recognized as old capital may decrease but it cannot increase.

**Comment:** Commenters indicated that hospitals may be subject to the excess borrowing provisions of the capital-related cost reimbursement rules during the base year or subsequently. In such instances, the interest costs are not recognized as allowable costs for Medicare purposes for a period but often are considered allowable as new capital transactions are executed. They asked for clarification of the treatment of such costs under capital prospective payment rules.

**Response:** If a hospital is receiving a hold-harmless payment for old capital, interest expenses for old capital that become allowable during the transition will be payable as part of the hold-harmless payment. If a hospital is being paid based on the Federal rate under the hold-harmless methodology, the hospital may switch to hold-harmless payments if this payment formula becomes more advantageous as a result of the interest costs becoming allowable provided such costs become allowable by the hospital's cost reporting period beginning in FY 1994. If nonallowable



interest costs become allowable after the hospital's cost reporting period beginning in FY 1994, a hospital paid based on the Federal rate may not switch to hold-harmless payments. For cost reporting periods beginning in FY 1994 or earlier, a hospital paid under the fully prospective methodology may request that its hospital-specific rate be recalculated to reflect the interest costs that have become allowable for old capital and other changes in old capital costs since the base year. If the recalculated hospital-specific rate is higher than the Federal rate, the hospital would switch to the hold-harmless payment methodology. The hospital's initial base year reporting period will not be reopened to recompute a hospital-specific rate deeming the nonallowable interest costs as allowable.

*Comment:* A commenter stated that our proposal to offset investment income against interest expense in proportion to the ratio of old capital interest expense to new capital interest expense was inappropriate. The commenter noted that the resulting proportion often would be a 100 percent old capital offset since unnecessary borrowing provisions affect many hospitals and the new capital interest expense may not be recognized in such instances. The commenter suggested that a sliding scale, declining 10 percent per transition year, be used instead to make the investment income offset.

*Response:* The proposed rule (56 FR 8490) applied the ratio of old capital interest expense to total allowable capital interest expense in applying any necessary offset. We believe this is appropriate since only investment income related to patient care is offset. Interest expense on unnecessary borrowing is not related to patient care.

*Comment:* Several commenters asserted that it is inappropriate to continue the investment income offset under capital prospective payments.

*Response:* We believe it is appropriate and consistent to adhere to the greatest degree possible, to the cost reimbursement rules historically used in the Medicare program in determining hospital-specific rate and setting the hold-harmless payment amounts for old capital for the transition period. This is particularly important because not all capital-related costs are related to patient care activities. Since we are providing for a gradual change-over from a cost reimbursement system to a prospective rate system, we believe the cost based rules remain as appropriate in the transition period as in the past for the hospital-specific portion of the payment.

*Comment:* Many commenters asked for clarification of the impact of the capital prospective payment system on funded depreciation reserves, their use and the applicable cost reimbursement policies. Commenters asked if the fund could be maintained or must be spent down and suggested some special provision be made to extend this incentive for equity financing from cost-based rules to prospective payment rules. One commenter recommended that we permit hospitals to elect keeping the excess of capital prospective payments above inpatient capital costs on deposit with HCFA in interest bearing Medicare capital accounts.

*Response:* The provision of the capital-related cost reimbursement rules in subpart G will continue to be applied to the determination of allowable costs during the transition payments in this final rule. Thus, the provisions of 42 CFR 413.153 regarding treatment of funded depreciation in determining allowable interest costs for old and new capital amounts and the hospital-specific rate remain applicable throughout the transition period. We believe continued application of our funded depreciation policies will retain the incentive intended under cost-based payment rules.

However, with the phase out of cost reimbursement provisions for payment of hospital inpatient capital-related costs, special incentives to maintain funded depreciation accounts under prospective payments are inappropriate.

Additionally, we cannot accept the commenter's recommendation that hospitals be permitted to keep excess capital payments on deposit with HCFA. Pursuant to current statutory authority, the Federal government may not pay interest except as authorized by law. No such statutory authority exists except in extended underpayment situations (42 CFR 405.376), nor does the Secretary's authority to establish a capital prospective payment system extend to provision of interest payment. Although deposits could be established with banking institutions, such actions by HCFA could be construed as involvement in hospital management practices due to the decision making processes of bank selection, acceptable interest rate levels, use of withdrawals and authority for them, and other supervision and control issues that are prohibited by section 1801 of the Act. As a result, we believe it would be improper for HCFA to implement a funded reserve activity for the purpose of controlling how such monies will be used by providers of services in future periods.

*Comment:* One commenter has pointed out that in the preamble to the proposed rule (52 FR 8490), the statement that "if a loan is obtained to finance the purchase of a facility and equipment and the loan exceeds the asset value of the acquisitions, the interest expense on the portion of the loan in excess of the asset value would be considered general operating interest expense," should have read, in pertinent part, " \* \* \* the interest expense on that portion of the loan in excess of the asset value would be considered nonallowable interest expense."

*Response:* Whether the interest expense or the portion of the loan in excess of the asset value is allowable or not depends on whether the additional borrowing for working capital was necessary. If the additional borrowing was necessary, the additional interest expense is allowable operating cost. If the additional borrowing was unnecessary, the additional interest expense is a nonallowable cost.

*Comment:* One commenter recommended that in light of two recent court decisions, *Mercy Hospital v. Sullivan* (DC Me 1991) and *Baptist Hospital East v. Sullivan* (DC WD Ky 1991), we revise our current policy with respect to recognition of gains or losses incurred on advance refundings. Our current policy, set forth in section 233 of the Provider Reimbursement Manual (HCFA Pub. 15-1), implicitly amortizes the gain or loss over a number of cost reporting periods subsequent to the advance refunding (specifically, the gain or loss is recognized over a period of time beginning with the date of the advance refunding and ending with the date the refunded debt is paid). In the cases cited by the commenter, the courts held that the loss on the advance refunding should be recognized immediately, rather than deferred over some future period. The commenter recommended that we revise the annual to be consistent with these court decisions.

*Response:* We disagree with the commenter. The cited court decisions involved advance refundings initiated prior to the effective date of our current manual section 233. Thus, the court decisions relied on the sections of the manual (that is, sections 215 and 215.1) that guided the treatment of advance refundings before the issuance of section 233. We believe that the policy set forth in section 233 of the HCFA Pub. 15-1 is appropriate and will be upheld in current litigation involving advance refundings to which that section applies.

*Comment:* One commenter recommended that we confirm that we

will pay our share of all legitimate costs associated with an advance refunding and that we will allocate those costs to old capital and new capital according to the proportions (new and old) of the assets involved. Further, the commenter indicated that certain costs, such as debt cancellation costs on the refunded debt, interest expense on the refunded debt and any loss on defeasance, are clearly associated with the old debt, and should be allocated to the old and new capital according to the proportion of old and new capital assets financed through the old debt. Other costs, such as debt issue costs on the refunding debt, would be considered new capital.

**Response:** While we do affirm our intention to continue to recognize all reasonable costs associated with an advance refunding, including such items as the debt cancellation costs on the refunded debt and the debt issuance costs on the refunded debt, we do not agree with the commenter's proposed categorization of these costs as old capital and new capital. If the interest expense on the refunded debt was old capital, the reasonable costs associated with the advance refunding, as defined in section 233.4 of the Provider Reimbursement Manual (HCFA 15-1), will be considered old capital subject to the limitation that the old capital costs cannot exceed the costs that would have been recognized during the transition if the advance refunding had not occurred. Any reasonable costs for the advance refunding that are in excess of this limitation will be recognized as new capital costs.

If the interest expense on the refunded debt was attributable to the old capital and to new capital, the net aggregate costs associated with the advance refunding would be allocated between old capital and new capital according to the proportion of the interest expense on the refunded debt that was attributable to each category.

**Comment:** One commenter stated that we have not made clear whether the determination that the interest expense associated with an advance refunding exceeds the interest expense that would have been incurred had the advance refunding not occurred should be made on a year-to-year basis or in the aggregate. The commenter argued that the proposed rule was not clear as to how the aggregate approach should be applied to each year of the transition period.

**Response:** The proposed rule might have been easily understood had we used the term "net aggregate costs" rather than "interest expense" in the discussion of advance refunding transactions. The former term is used in

section 233.4 of the Provider Reimbursement Manual (HCFA Pub. 15-1) and is more accurate. The reasonable cost determination for the advance refunding will be made on an aggregate basis in accordance with section 233.4 of the Provider Reimbursement Manual based on a comparison of the net aggregate costs associated with the advance refunding with the net aggregate costs that would have been allowable if the advance refunding had not taken place. To the extent the refunded debt was old capital, the reasonable costs for the advance refunding will be considered old capital. However, the hospital's total net aggregate old capital costs will be limited to the costs it would have incurred over the transition if the advance refunding had not occurred. Any excess reasonable costs will be considered new capital.

**Comment:** One commenter pointed out that, in section IV.B., step 3, a. and b. of the preamble, to the proposed rule, the term "investment income" should have been used instead of the term "interest income." The same commenter observed that the text of the proposed regulations does not address investment income.

**Response:** We agree and have revised this final rule accordingly.

**Comment:** One commenter called for a relaxation of IRS restrictions on multiple refunding to eliminate transferred proceeds penalties under existing arbitrage regulations so that hospitals will be able to take advantage of lower interest rates and thereby assist hospitals to reduce capital costs under the prospective payment programs initiative.

**Response:** We cannot address the purposes of the changes in the tax code that imposed the restrictions that the commenter raises and believe that these issues must be directed to the promulgators of that rule. However, we have had no indication from any other hospitals or their representatives that there are serious tax law barriers that undermine hospitals' options to restructure their debt or equity financing to meet capital prospective payment objectives over the transition period. As a result, we are not initiating discussions with the IRS on this issue at this time.

**c. Gains and losses resulting from disposal of depreciable assets and revaluation of assets.** In the proposed rule, we indicated that adjustments would be made for gains or losses only with respect to old capital for which a hold-harmless payment is made. No adjustment would be made if payment is based on 100 percent of the Federal rate. With respect to a change of ownership,

the amount of the capital expenses after adjustments for gains and losses that would be recognized as old capital for the old owner would equal the percentage of assets (based on book value) that are eligible for the hold-harmless payment. We noted that with respect to the new owner under Section 1861(v)(1)(O) of the Act, the new depreciation value of the purchased asset is limited to the lesser of the purchase price or the original book value of the asset.

**Comment:** One commenter indicated that, while we proposed to recapture the Medicare share of a gain (that is, when the sale price exceeds the net book value) incurred when a hospital sells a depreciable asset, we did not describe what we would do when a sale of a depreciable asset results in a loss (that is, when the sale price is less than the net book value of the asset).

**Response:** We stated in the preamble that adjustments would be made for gains or losses with respect to old capital for which a hold-harmless payment is made. However, we recognize that our description of the provisions of section 1861(v)(1)(O) of the law, which pertain to the valuation of assets of hospitals and skilled nursing facilities that undergo changes of ownership, may have been misleading in this regard by failing to mention losses as well as gains on sale of assets. If the sale price of the asset is greater than, or less than, the net book value of the asset, Medicare adjusts for the resultant gain, or loss, respectively. This adjustment, which represents a correction of Medicare's share of the depreciation recognized during the years that the asset was in use, is made to the seller's Medicare payments in the year that the asset is sold.

**Comment:** Two commenters stated that the gain or loss adjustment should not be limited to assets paid under the hold-harmless provisions because the hospital should receive additional payment for the costs relevant to the years paid on a cost basis when a loss is incurred after the hospital is subject to the capital prospective payment system. In other words, the proposed rules should have no effect on the recalculation of depreciation expense incurred in years beginning before October 1, 1991, regardless of when the asset disposal occurs.

**Response:** We agree with the commenters. While the proposed rule may not have been clear on this point, it was, and continues to be, our intention that the Medicare share of the portion of gains or losses attributable to years prior to the inception of the prospective



payment system for Capital-related costs (i.e., the years paid on a reasonable cost basis) will continue to be recognized even if the asset disposal occurs after the effective date of the capital prospective payment system. This would hold true whether the hospital is being paid under the hold-harmless methodology or under the fully prospective methodology. We have clarified this in the final rule.

*Comment:* One commenter stated that we should clarify that gain or loss adjustments will be made throughout the transition period for assets sold during the transition period. For example, the commenter suggested that if an asset is sold in 1999, a hospital's transition rates and payments should be adjusted retroactively.

*Response:* As stated in the preamble to the proposed rule (56 FR 8490), gain or loss adjustments will be made with respect to old capital for which a hold-harmless payment is made. This adjustment will be made in the year in which the asset disposal takes place. The extent to which such gains or losses would be recognized in that year will be governed by § 413.134(f) of the Medicare regulations. This section provides that the amount of a gain included in the determination of allowable costs is limited to the amount of depreciation previously included in Medicare allowable costs, and the amount of a loss is limited to the underpreciated basis of the asset permitted under the program. We also address this issue in response to comments regarding development of the hospital-specific rate determination, section IV.B.1., above.

*Comment:* One commenter pointed out that, although the preamble to the proposed rule states that adjustments would be made for gains and losses only with respect to old capital for which a hold-harmless payment is made, neither the preamble nor the regulatory text of the proposed rule explained how the gain or loss adjustment would be made (for example, whether gains would be subtracted from old capital and losses be added to old capital).

*Response:* Our current rules regarding adjustments for gains and losses, set forth in § 413.134(f), generally provide that adjustments for gains and losses are to be made as "below-the-line," or settlement, adjustments. This is necessary because the portion of the gains and losses attributable to prior years have already been adjusted to account for the Medicare utilization that existed in the prior years and other factors, as applicable, such as the capital-related cost reduction factor. If these adjustments were made directly to the depreciation cost center in the year

that the asset was sold and were permitted to flow through the cost report, the portion of the adjustments applicable to prior years would be inappropriately subjected to the Medicare utilization for the current year. Therefore, gains and losses will continue to be reflected for the applicable years as settlement adjustments appropriately factored to reflect the effect of Medicare utilization for prior years, as well as any other appropriate factors, such as the capital-related cost reduction factors and the discount on hold-harmless payment for old capital. We have revised this final rule accordingly.

*Comment:* One commenter recommended that the reasonable cost rules for Medicare payment for abandoned assets that are not 80 percent depreciated as of the date of their abandonment should be retained in the capital prospective payment rules.

*Response:* To the extent that reasonable cost rules are applicable to the payment determination, the rules for determining the allowable costs for demolition or abandonment of assets as described in § 413.134(f)(5) apply to determining payment during the transition. If old assets are abandoned, any allowable costs for the net loss would be recognized as old capital costs and would be eligible for a hold-harmless payment. There would be no effect on payments to hospitals paid based on 100 percent of the Federal rate or on the fully prospective payment methodology (unless base year costs are affected under the reasonable cost rules) since the allowable net loss is capitalized as a deferred charge.

*Comment:* Several commenters expressed concern that final regulations have not yet been published to conform our current regulations to the provisions of section 2314, Revaluation of Assets, of the Deficit Reduction Act of 1984 (Pub. L. 98-369). These regulations were published as a proposed rule in the *Federal Register* on October 26, 1987 (52 FR 39927). The commenters expressed concern because both the proposed rule concerning the revaluation of assets and the capital prospective payment rule affect the payment of capital-related costs.

*Response:* We will publish the final rule concerning revaluation of assets as soon as possible. In the meantime, we direct the attention of interested parties to the general notice published in the *Federal Register* on July 17, 1985 (50 FR 28988), which identified section 2314 as one of the provisions of Public Law 99-369 that we consider to be, in whole or in large part, self-implementing, and thus not in need of regulations in order

to be implemented on the applicable effective dates.

*Comment:* One commenter asserted that any changes made in the treatment of recapture of depreciation be made via new notice of proposed rulemaking rather than including such changes in the final capital prospective payment rule because no mention of this area was made in our proposal.

*Response:* We disagree with commenter. We discussed the revaluation of assets in the proposed rule and explained generally that adjustments would be made for gains and losses with respect to old capital costs for which a hold-harmless payment is made, but that there would be no adjustments if payment is based on 100 percent of the Federal rate (56 FR 8490). Commenters clearly had adequate notice of the issues that are being addressed in this final rule. In this document, we are simply explaining how existing rules governing revaluation of assets will be applied with respect to the determination of old capital costs and the determination of base year costs for the hospital-specific rate. We are conforming the regulations to address circumstances arising with the implementation of a prospective payment system for capital-related costs.

#### Step 4—Determination of Applicable Capital Transition Methodology

To determine the payment methodology that would be applicable to a hospital throughout the transition period, we proposed to compare the hospital's hospital-specific rate and the applicable Federal rate. The comparison would be made by adjusting the Federal rate for the payment adjustment factors applicable to the hospital and increasing the adjusted rate by the estimated value of outlier payments. If the hospital-specific rate is higher than the Federal rate, we proposed to pay the hospital under the hold-harmless payment methodology. If the hospital-specific rate is less than the Federal rate, we proposed to pay the hospital under the fully prospective payment methodology, unless its FY 1992 allowable capital costs per case are higher than the Federal rate (after taking the payment adjustments and outlier payments into account). In the latter situation, we proposed to pay the hospital under which of the two payment methodologies, exclusive of exception payments, would provide the higher payment amount in FY 1992. The hospital would continue to be paid under that same payment methodology for the remainder of the transition and

could not in subsequent years switch from one payment methodology to the other. We indicated this special rule for determining the transition payment methodology applicable to the hospital would have no effect on the determination of the hospital-specific rate or the determination of old capital costs.

We proposed that the fiscal intermediary would advise each hospital in writing at least 30 days prior to the date of the hospital's first cost reporting period beginning on or after October 1, 1991 of its hospital-specific rate. In addition, based on a comparison of the hospital-specific rate with the applicable Federal rate, the intermediary would advise the hospital of the payment methodology under which it would be paid for the duration of the transition.

Any hospital dissatisfied with the determination of which payment methodology will apply during the transition would be able to challenge that determination by appealing the determination of the hospital-specific rate under the provisions at 42 CFR part 405, subpart R, Provider Reimbursement Determinations and Appeals.

*Comment:* Many commenters suggested that hospitals should be able to select the payment methodology used in each transition year because of their constantly changing financial circumstances. A few commenters recommended that low cost capital hospitals should be paid on a rolling base or that the special rule for these hospitals should be extended for several years.

*Response:* In designing the capital prospective payment methodology, one goal was to move hospitals onto prospective payments whenever possible. In the proposed rule, this was done by determining which payment methodology would be most advantageous to the hospital in FY 1992 and paying the hospital on that basis. Subsequently, hospitals could move from cost-based payments (that is, a hold-harmless payment for old capital) to prospective payments (that is, the blend of the hospital-specific and Federal rates in the case of low capital cost hospitals, or 100 percent Federal rate in the case of high capital cost hospitals). However, since the whole purpose of the transition is to move from cost-based payments to prospective payments, the proposed rule did not allow hospitals to move from prospective payments to cost-based payments; to do so would be contrary to the goal of the transition.

Although we believe that this general approach is still appropriate, our decision to recognize obligated capital

in the old capital definition requires that some modification be made to recognize the costs of obligated capital as the assets are put in use. Since costs for a capital project are not recognized until an asset is put in use for patient care and the amount of obligated capital that will eventually be put in use as old capital is unknown at the outset, the costs of obligated capital cannot be included in the initial determination of the payment methodology that will be applicable to a hospital. If we fix the payment methodology for a hospital before its obligated capital has come on line, it may not receive the intended benefits of including obligated capital in the old capital definition.

For low capital cost hospitals, the issue is twofold: Whether the hospital-specific rate is still representative of the hospital's costs after the obligated capital comes on line, and whether, after consideration of the obligated capital, the fully prospective payment methodology is still appropriate. We considered addressing this issue by, as some commenters suggested, extending the special rule for low capital cost hospitals through FY 1994; when most obligated capital must be put in use if it is to qualify as old capital. However, this would benefit only those hospitals whose capital-related costs exceeded the Federal rate for the fiscal year in question. It would not modify the payments of hospitals whose capital-related costs continue to fall below the Federal rate even after the obligated capital is put in use because it would not alter their hospital-specific rate. Another alternative that we considered was to pay the low cost hospitals on a rolling base. Although the rolling base approach would recognize in the hospital-specific payment any expenditures for obligated capital as it is put in use, it would afford increasingly less protection for old capital, including obligated capital, as the percentage of payment based on hospital-specific costs declined. Low cost hospitals that do not have significant new capital expenditures early in the transition period would also be disadvantaged using a rolling base period compared to a hospital-specific rate. The rolling base period is also less consistent with the goals of the transition policies because it would partially continue cost-based payments for new capital whereas under the proposed rule all new capital would be covered by prospective payments. We concluded that the most appropriate solution would be to replace the special rule with a provision that will allow fully prospective hospitals to request that their hospital-specific rate be redetermined.

As explained above in step 1a, we are providing that a hospital may request that its hospital-specific rate be redetermined based on its old capital costs in a cost reporting period occurring after the base year. The last cost reporting period for which a recalculation will be allowed is the later of the hospital's cost reporting period beginning in FY 1994 or the first cost reporting period beginning after obligated capital that is recognized as old capital is put in use. If the recalculated hospital-specific rate exceeds the Federal rate applicable for the cost reporting period, the hospital will be paid under the hold-harmless methodology for the remainder of the transition. In this case, the hospital will receive the higher of 100 percent of the Federal rate (rather than the blend of the hospital-specific and Federal rate), or the hold-harmless payment for old capital plus a new capital payment.

For high capital cost hospitals, the issue raised by the recognition of obligated capital concerns those hospitals that are paid based on 100 percent of the Federal rate. After the obligated capital is put in use, it may be more advantageous for them to receive a hold-harmless payment for old capital. Under the proposed rule, these hospitals would not be allowed to switch to the hold-harmless payment. To allow for this situation in the final rule, we are providing that the annual determination of the applicable payment methodology for high capital cost hospitals may result in a change from the Federal rate to a hold-harmless payment through the later of the hospital's cost reporting period beginning in FY 1994 or the first cost reporting period beginning after the obligated capital is put in use. Through its cost reporting period beginning in FY 1994, a hospital may switch between payments based on the Federal rate to payments based on the hold-harmless methodology, depending on whichever payment methodology is more advantageous. Any changes will be made automatically when the cost report is settled regardless of whether obligated capital has actually come on line. Thereafter, a change from the Federal rate to the hold-harmless payment for old capital will be allowed only if obligated capital that meets the old capital definition is put in use for patient care. The change in payment method will be allowed through the first 12 month cost reporting period beginning after an obligated capital project is put in use for patient care so that a full 12 months of cost attributable to the obligated capital will be reflected in the hospital's old capital costs. For example,

if a hospital with a fiscal year that ends on December 31 opens a new wing that qualifies as old capital on July 1, 1994, the hospital could switch from payment based on 100 percent of the Federal rate to the hold-harmless payment for old capital during its cost reporting period beginning January 1, 1994 or January 1, 1995. The hospital cannot switch if the wing is classified as new capital. As in the proposed rule, the payment determination will be made without regard to payments made under the exceptions process. In any subsequent years, once a hospital is paid based on the Federal rate, the hospital will continue to be paid based on the Federal rate for the remainder of the transition.

*Comment:* A number of commenters suggested that hospitals paid under the hold-harmless methodology should have the option of being paid using the blend of the Federal rate and their hospital-specific rate, if that were beneficial to them.

*Response:* Our goal in implementing different transition methodologies for high-cost and low-cost hospitals was to provide a smooth transition to the fully implemented prospective payment system. In establishing the hold harmless methodology, our goal is to protect hospitals for the capital costs that they have already incurred, or been obligated to incur, without maintaining payments for new capital to be lower than the national average. Because we believe that the Federal rate should be sufficient for all hospitals for new capital expenditures, we believe that any payment higher than the levels we are providing under the hold harmless methodology would be excessive. In addition, it would be necessary to fund these excessive payments by reducing payments to other hospitals, either through a reduction in the percentage of old capital that we would pay under the hold harmless methodology, or through the budget neutrality adjustment. In either case, we would be removing capital payments from hospitals that are either limited to a portion of the Federal rate for new capital (in the case of hold-harmless hospitals) or providing for future capital acquisition (in the case of fully prospective hospitals).

*Comment:* Commenters expressed concern that adequate resources and financial support will not be provided to Medicare intermediaries to complete base year audits and settlement actions timely and make proper determinations of hospital-specific rates. They asserted that there is inadequate time, information and instructions to complete properly all the necessary work prior to implementation of the capital

prospective payment system. They anticipate there may be incorrect payment determinations, increased administrative cost and burden for both providers and HCFA, and greatly increased appeals and litigation.

*Response:* We are confident that the capital prospective payment system will be implemented in a timely and proper manner. The fact that hospitals will come under the new system on a staggered basis throughout the fiscal year will help smooth the implementation process. We issued initial instructions to Medicare intermediaries in May 1991 to begin the process of making interim hospital-specific rate and payment methodology determinations for hospitals that will become subject to capital prospective payments in the first quarter of fiscal year 1992. Although revised instructions are being issued to reflect the changes from the proposed rule, we believe that the preliminary instructions were adequate to make interim payment determinations and permit an orderly transition. The Medicare intermediaries have made interim determinations of the hospital-specific rate and applicable payment methodology for hospitals with cost reporting periods beginning on October 1, 1991. While these interim determinations are subject to change based on the final rule and completion of the audit and final determination of the hospital's base year costs and hospital-specific rate, they are sufficient to permit timely implementation of the capital prospective payment system. The intermediary will make the interim payment determinations for other hospitals based on the final rule, and will advise each hospital of its determination at least 30 days prior to the date the hospital comes under the prospective payment system. In this regard, we note that major aspects of the payment, such as the new capital ratio and the amount of the old capital payment for hospitals paid under the hold-harmless payment methodology, cannot be determined with certainty until the hospital's cost report is filed; of necessity, interim payment determinations will be made throughout the transition with final determinations made during the cost report settlement process. Because these interim determinations will be subject to change based on the final cost report data, they will not be subject to appeal under 42 CFR part 405, subpart R. However, hospitals will be permitted to submit to intermediaries additional documentation that may support an adjustment to the interim payments.

Instructions for the completion of the base year audits will be issued shortly. These audits will be conducted throughout FY 1992. Although the audits will not be completed before most hospitals with cost reporting periods beginning early in the fiscal year come under the capital prospective payment system, final base year cost determinations will have been made before many hospitals with cost reporting periods beginning later in the fiscal year come under the capital prospective payment system. We also note that since the hospital-specific rate does not affect payment under the hold-harmless methodology, revisions to base-year costs resulting from the audits will not affect hospitals paid under the hold-harmless methodology unless the revisions result in a hospital-specific rate that is below the Federal rate (in which case the hospital will no longer be paid under the hold-harmless methodology).

*Comment:* Many commenters indicated their agreement with applying full appeal rights under current rules at 42 CFR part 405, subpart R, to payment determinations made under the capital prospective payment system. However, they raised concern that current policies and procedures for provider appeals will not be adequate or timely enough for capital payment issues and recommended that a separate appeals process for capital-related issues be considered.

*Response:* We do not agree that the current policies and procedures for provider appeals are inadequate or that appeals will not be dealt with in a timely manner. Some commenters do not appear to be aware of the distinction outlined in the proposed rule (56 FR 8516) between the temporary nature of the interim payment determinations and the final determination of the hospital-specific rate, the applicable payment methodology and formula, and the aggregate cost-related payment amount (for example, the old capital payment, the new capital ratio, and the exceptions payment) for a given year. Interim payment determinations will be made by the intermediary based on the best available information and will not be subject to appeal under 42 CFR part 405, subpart R. However, a hospital may submit to the intermediary for consideration additional information that would affect the interim payment determination.

Final determinations, which are subject to appeal under 42 CFR part 405, subpart R, will be made only at the time the applicable cost report is settled and the notice of the amount of program

reimbursement (NPR) is issued. These determinations will have been preceded by tentative settlement of the cost report, desk review and audit, and, to the extent possible, resolution of identified issues. We do not expect that the incidence of appeals activity should be significantly different than experienced under reasonable cost payments because all of the decisions will result from the cost report settlement process. In addition, intermediaries will have considerably more time and information on which to make the final determinations that will be subject to appeal requests under 42 CFR part 405, subpart R than they had for the interim payment determinations. In our view, these factors negate the need for an appeals process solely for issues related to the capital prospective payment system.

*Comment:* Many commenters supported the policy that will allow revision of the hospital-specific rate to reflect revisions in the base year costs resulting from appeal activities; however, some expressed concern that no restrictions are placed on the intermediary's authority to reopen and revise determinations on capital-related cost issues during the three years following issuance of the notice of amount of program reimbursement for a cost reporting period. One commenter believed that the audits of graduate medical education base year costs for purposes of establishing the per resident amounts under section 1886(h) of the Act will increase capital-related costs, but not in time to be considered in the determination of the hospital-specific rate.

*Response:* We have drawn on our experience with the hospital-specific rates under the prospective payment system in establishing the policies regarding payment determinations in this final rule. Ideally, under a prospective payment system, the payment rate is established in advance and is subject to change on a prospective basis only. However, this may raise equity issues for both the hospital and the Medicare program when the rate, although based on the best data available at the time it was computed, is subsequently determined to be an inaccurate reflection of the actual costs incurred during the base period. Initially, we made no retroactive adjustments to the hospital-specific rate under the prospective payment system for operating costs. However, based on the decision of the U.S. Court of Appeals for the District of Columbia circuit in *Georgetown University Hospital v. Bowen*, 862 F.2d 323 (DC Cir. 1988), we

revised our policy in HCFA Ruling 89-1 to provide that the hospital-specific rate will be revised retroactively to reflect additional base year costs that result from a favorable appeal.

We believe that if the payment rates are to be revised retroactively to take into account better information on actual base year costs, equity dictates that the revisions be made to reflect both changes that would increase payments to the hospital and those that would reduce payments to the hospital. In each case, the changes are made to reflect more accurately the base year costs that are used to determine the hospital-specific rate. It is for this reason that we are providing for a revision in the hospital-specific rate whenever a cost report reopening affects the determination of base-year costs. Thus, for example, if an audit on graduate medical education costs results in the reclassification of costs from graduate medical education to capital-related costs in the base year used to compute the hospital-specific rate under the capital prospective payment system, the hospital-specific rate would be revised to reflect the additional costs. The considerations that led us to provide for retroactive revision of the hospital-specific rate also apply to other components of the payment determination, such as the determination of the applicable payment formula for high capital cost hospitals, the old capital payment, and the new capital payment ratio. Although the rules and the rates used to determine capital payments are prospective, actual payments are dependent on the hospital's experience during the cost reporting period. To the extent actual capital payments during the transition are determined through the cost report settlement process, it is appropriate for the payment determinations to be subject to rules on cost report reopenings that are in effect for reasonable cost determinations.

*Comment:* Commenters requested clarification of the effects of a change of ownership on determinations of old and new capital amounts and the hospital-specific rate for capital prospective payment transition years.

*Response:* We agree that clarification of the rules in these situations is needed. In the proposed rule, we discussed the provisions of 1861(v)(1)(O) of the Act concerning the valuation of assets of hospitals and skilled nursing facilities that undergo changes of ownership. These provisions, which were added by section 2314 of Public Law 98-369, are applicable in establishing the depreciable value of assets for cost

reporting periods beginning with the new ownership. That is, the depreciation value of the purchased asset is limited to the lesser of the allowable acquisition cost of such asset to the owner of record as of July 18, 1984, (or in the case of an asset not in existence as of such date, the first owner of record of the asset after such date) or the acquisition cost of such asset to the new owner. There are, however, additional aspects of the effects of change of ownership on capital prospective payments that need clarification.

a. *Change of ownership-single hospital.* A change of ownership involving a single hospital during its base period (that is, the hospital's cost reporting period ending on or before December 31, 1990), will have no effect on the base year. The hospital's latest 12-month or longer cost reporting period ending on or before December 31, 1990 will be the base period regardless of the owner of record. If the last cost reporting period ending on or before December 31, 1990 is a short period, the combination of cost reporting periods ending on or before December 31, 1990 that cover 12-months or longer will be the base period regardless of the owner of record. This base period will be used to determine the new owner's hospital-specific rate and to identify its old capital costs that qualify for a hold-harmless payment.

Where there has been a change of ownership of a single hospital subsequent to the base period, the new owner will receive capital payments under the same payment methodology and rates as the previous owner. As discussed in further detail above under section IV.B., step 1a, the new owner may request that its hospital-specific rate be recalculated based on its old capital costs in a cost reporting period occurring after the base year. The last cost reporting period for which a recalculation would be allowed is the later of the hospital's cost reporting period beginning in FY 1994 or the first cost reporting period beginning after obligated capital is put in use.

b. *Change of ownership-multiple hospital merger or consolidation.* Where there was a merger or consolidation of multiple hospitals into one hospital during the base period (cost reporting periods ending on or before December 31, 1990), the hospitals' latest 12-month or longer cost reporting periods ending on or before December 31, 1990 will be the base period, and an average discharge weighted hospital-specific rate will be calculated. Following is an example of how the weighted hospital-specific rate will be computed:

	No. of medicare discharges	Medicare inpatient capital cost	Case mix index
Hospital A: Period ended 6/30/90.....	1,200	\$1,200,000	1.12
Short period 7/1/90-8/31/90.....	410	400,000	1.14
Hospital B— Surviving Hospital: Short period 1/1/90-8/31/90.....	1,100	\$2,400,000	1.18
Short period 9/1/90-12/31/90.....	700	980,000	1.15

The transfer adjustment factor is assumed to be 1.0

Hospital A merged with Hospital B on September 1, 1990 and Hospital B is the surviving hospital. Hospital A had a fiscal year ending June 30, 1990 and Hospital B had a fiscal year ending December 31, 1990. After the merger, Hospital B retained its December 31 fiscal year end.

For the period that ended June 30, 1990, Hospital A had a case-mix adjusted cost per case of \$892.86 and for the period ended August 31, 1990, a case-mix adjusted cost per case of \$855.80. Hospital A's combined adjusted base year cost is determined as follows:

$$\frac{(892.86 \times 1200) + (\$855.80 \times 410)}{1200 + 410} = \$883.27$$

For the period that ended August 31, 1990, Hospital B had a case-mix adjusted cost per case of \$1849.00 and for the period ended December 31, 1990, a case-mix adjusted cost per case of \$1217.39. Hospital B's combined adjusted cost per case for its base year is determined as follows:

$$\frac{(\$1849.00 \times 1100) + (\$1217.39 \times 700)}{1100 + 700} = \$1603.37$$

The hospital-specific rate applicable to Hospital B is determined by multiplying the base year costs per case by the applicable update factor and weighing by the applicable number of discharges.

Hospital A:  $\$883.27 \times 1.18568 = \$1,047.28$   
 Hospital B:  $\$1,603.37 \times 1.05826 = \$1,696.78$

$$\frac{(\$1,047.28 \times 1610) + (\$1,696.78 \times 1800)}{1610 + 1800} = \$1,390.13$$

The hospital-specific rate of \$1,390.13 will be used in determining the payment methodology that will be applicable during the transition period. The assets and other capital-related costs on the books as of December 31, 1990 will be recognized as old capital in determining hold-harmless payments during the transition.

If there is a merger or consolidation of multiple hospitals into one hospital after the base period but during the transition period, the hospitals' base periods will be weighted, as shown above, to determine which payment methodology the hospital will be paid during the remainder of the transition period. If the weighted hospital-specific rate is below the Federal rate, the hospital will be paid under the fully prospective payment methodology during the remainder of the transition even if one of the hospitals had been paid under the hold-harmless methodology prior to time of the merger. The weighted hospital-specific rate will be used effective with the date of the merger. If the hospital is paid under the hold-harmless methodology after the merger, only the remaining base year old capital will be eligible for hold-harmless payments.

#### Step 5—Payment Under the Fully Prospective Payment Methodology

We proposed that under the fully prospective payment methodology, a hospital will be paid a blend of its hospital-specific rate and the Federal rate, as follows:

#### FULLY PROSPECTIVE PAYMENT METHODOLOGY BLEND

Cost reporting period beginning in	Hospital-specific blend percentage	Federal blend percentage
Fiscal Year 1992.....	90	10
Fiscal Year 1993.....	80	20
Fiscal Year 1994.....	70	30
Fiscal Year 1995.....	60	40
Fiscal Year 1996.....	50	50
Fiscal Year 1997.....	40	60
Fiscal Year 1998.....	30	70
Fiscal Year 1999.....	20	80
Fiscal Year 2000.....	10	90
Fiscal Year 2001.....	0	100

We received some comments that the blend percentages should move low capital cost hospitals to payment based on 100 percent of the Federal rate more quickly. As indicated in our response to an earlier comment under part IV above, we are not shortening the length of the transition for low capital cost hospitals. We are adopting the proposed blend percentages in the final rule.

#### Step 6—Payment Under the Hold-Harmless Payment Methodology

We proposed that under the hold-harmless payment methodology, a hospital would receive the higher of:

- 90 percent of actual reasonable costs for depreciation and interest expenses on old capital plus a hospital-specific payment for new capital (subject to a budget neutrality adjustment as explained in section E below); or

- 100 percent of the Federal rate (or the applicable blend of its hospital-specific rate and Federal rate for those hospitals that qualified under hold-harmless under the special rule for Fiscal Year 1992 in the proposed rule).

Once a hospital was paid based on 100 percent of the Federal rate, we proposed that it would continue to be paid on that basis throughout the remainder of the transition. The hospital could not receive a hold-harmless payment in a subsequent cost reporting period. Based on the changes we are making in this final rule, a hospital paid under the hold-harmless payment methodology would receive the higher of:

- 85 percent of actual reasonable costs for old capital (except for sole community hospitals that will receive 100 percent of reasonable costs for old capital) plus a hospital-specific payment for new capital; or,

- 100 percent of the Federal rate after the later of its cost reporting period beginning in fiscal year 1994 or the first cost reporting period beginning after obligated capital is put in use, a hospital that is paid based on 100 percent of the Federal rate will continue to be paid on that basis for the remainder of the transition.

*a. Hold-harmless payment for old capital.* We proposed that we would discount our payment for old capital costs (determined under step 3 above) by 10 percent in order to assure adequate funds to pay for the formation of new capital. We indicated that if the budget neutrality factor was less than 1.0, we would apply it to the hold-harmless payment (See section IV.E below).

*Comment:* Some commenters indicated that under a true "hold harmless" provision, payment would be for 100 percent of reasonable costs for old capital and recommended that there be no discount. Others limited their recommendation to sole community hospitals, which are exempt from the capital payment reduction in effect prior to October 1, 1991. In contrast to these commenters, others suggested that the

proposed 10 percent discount should be increased to pay for an expanded definition of old capital eligible for a hold-harmless payment.

*Response:* As discussed above in IV.B. steps 2 and 3, we are expanding the old capital cost definition in this final rule to include all capital-related costs associated with assets that qualify as old capital, including obligated capital that has been put in use. With this expansion, we are reducing the hold-harmless payment percentage to 85 percent in order to provide adequate funds for new capital formation. We agree with those commenters who believe it is appropriate that the cost of the expanded protection afforded in this final rule for existing capital commitments be partially offset by a lower overall payment percentage for old capital. We note that this discount is the same as the payment reduction applicable to reasonable cost payments for Medicare inpatient capital costs prior to October 1, 1991. Thus, hospitals will receive the same percentage payment for old capital under the capital prospective payment system as they are currently receiving under reasonable cost reimbursement. Consistent with this policy, we are providing that sole community hospitals, which are exempt from the reasonable cost payment reduction, will receive 100 percent of reasonable costs for their old capital. The 100 percent hold-harmless payment is applicable to urban as well as rural sole community hospitals.

In addition to proposing to base the hold-harmless payment on 90 percent of allowable old capital costs, we indicated that if the budget neutrality adjustment factor was less than 1.0, we would apply it to the hold-harmless payment for old capital. We believe this policy is not appropriate with a hold-harmless payment based on 85 percent of allowable old capital costs. If we applied the budget neutrality factor as proposed, hospitals would receive less for their old capital cost under the capital prospective payment than they received on a reasonable cost basis. Therefore, in this final rule we will not apply the budget neutrality adjustment to the hold-harmless payment. As a result, a larger budget neutrality adjustment factor will be applied to the Federal rate and the hospital-specific rate.

*b. Payment for new capital.* We proposed that hospitals that receive a hold-harmless payment for old capital would be paid for new capital on the basis of the Federal rate times the lesser of the hospital's own ratio of Medicare inpatient new capital costs to total

Medicare inpatient capital costs or the national ratio. In the proposed rule, we defined new capital as all allowable Medicare inpatient capital-related costs other than depreciation and interest expense on old capital. The hospital's ratio could not exceed the national ratio of Medicare inpatient new capital costs to Medicare inpatient total capital costs as determined by HCFA for each Federal fiscal year. Our estimate of the national ratio of new capital costs to total capital costs in fiscal year 1992 was 47.31 percent.

*Comment:* Several commenters objected to our proposal to limit the proportion of the Federal rate paid for new capital to the national ratio. They believed that the limit imposed by the national ratio would unfairly reduce the new capital payment for hospitals with significant new capital costs including those hospitals with substantial lease payments or home office capital-related costs as well as hospitals with major new capital spending.

*Response:* With the expansion of the old capital definition to include leases and other capital-related costs and the recognition of obligated capital costs after the base period under specific conditions, more costs are included in old capital costs and the new capital cost ratio is significantly lower. In fiscal year 1992, the national new capital cost ratio is less than 13 percent compared to 47 percent in the proposed rule. One result is that there is greater potential for a hospital that does have significant new capital expenditures to be adversely impacted by the national limit. Therefore, we agree with the commenters that using the national ratio of new capital to total capital costs to limit the new capital payment could severely curtail payments to some hospitals. We are eliminating the national limit in the final rule. The hospital's new capital payment will be determined based on the hospital's costs for new capital to its total capital costs for the cost reporting period.

*c. Comparison with Federal Rate.* In the proposed rule, we noted that as a hospital fully depreciates, retires, or sells old capital, its payments for old capital would decline and, at some point, payment based on 100 percent of the Federal rate would become more advantageous than the hold-harmless payment alternative. Thus, the hospital would control which payment alternative would be applicable through its capital decisions; the intermediary would make the actual determination regarding which payment alternative would result in higher payment. We proposed that the comparison between

the hold-harmless payment and 100 percent of the Federal rate would be made without regard to additional payments for exceptions. We also proposed that in any year of the transition, once a hospital was paid based on the Federal rate as a result of this comparison, the hospital would continue to be paid based on the Federal rate for the remainder of the transition. As noted above in response to general comments on the determination of the applicable payment methodology, we are providing in the final rule that the annual comparison of payments may result in a change from payment based on 100 percent of the Federal rate to a hold-harmless payment through the later of a hospital's cost reporting period beginning in FY 1994 or the first cost reporting period beginning after obligated capital is put in use. Thereafter, once the hospital receives payment based on the Federal rate, it will not be able to receive the hold-harmless payment for old capital in a subsequent cost reporting period of the transition.

*d. Payment under the special rule.* In general, hospitals must have a hospital-specific rate that is higher than the Federal rate in order to be paid under the hold-harmless methodology. The proposed rule contained a special rule permitting hospitals whose hospital-specific rate is less than the Federal rate to be paid under the hold-harmless methodology if their FY 1992 allowable capital costs per case are higher than the Federal rate. We provided that this particular group of hospitals would not be paid 100 percent of the Federal rate when it is no longer advantageous to receive the hold-harmless payment. Instead, they would be paid based on the applicable hospital-specific/Federal blend in effect under the fully prospective payment methodology.

As discussed above in response to general comments on the payment methodology determination, we are eliminating the special rule. Instead, we are allowing low capital cost hospitals to request that their hospital-specific rate be redetermined based on actual old capital costs in a cost reporting period subsequent to the base year. This option extends until the later of any cost reporting period beginning in FY 1994 or the first cost reporting period beginning after obligated capital is put in use. At the time the hospital-specific rate is redetermined, a comparison will be made between the hospital-specific rate and the Federal rate. If the hospital-specific rate is higher than the Federal rate, the hospital will be paid for that cost reporting period and throughout the



remainder of the transition under the hold-harmless payment methodology. The hospital will receive the higher of the Federal rate (and not the blend provided for in the special rule) or the hold-harmless payment.

e. *Interim payment determination under the hold-harmless methodology.* We proposed that the hold-harmless payment amount for old capital costs for each year of the transition period would be based on that year's reasonable costs for old capital. Since this reasonable cost amount cannot be finally determined in advance of audit and settlement of a hospital's cost report, the payment amount for old capital costs would be estimated and paid on an interim basis until final data are available. Similarly, the ratio of the hospital's Medicare inpatient new capital costs to total Medicare inpatient capital costs cannot be determined until final settlement; thus, the payment for new capital would also be estimated and paid on an interim basis until final data are available.

We proposed that payment for old capital costs for the first year of the capital prospective payment system would be based on FY 1992 reasonable costs for old capital. Since audited FY 1992 capital cost and discharge data would not be available at the time a hospital becomes subject to the capital prospective payment system, the intermediary would make an interim prospective payment to hospitals paid under the hold-harmless payment methodology until the pertinent cost report data are available and a final determination can be made.

We provided that the Medicare intermediaries would use the capital cost data from the base year cost report to prepare an interim capital payment rate determination at the time a hospital begins its first cost reporting period on or after October 1, 1991. To initiate capital prospective payments timely, hospitals would have to provide intermediaries with any additional documentation needed to establish interim capital payments no later than 120 days prior to the date the hospital would begin its first cost reporting period under the capital prospective payment system. This would allow fiscal intermediaries adequate time to verify the data and make the interim capital payment determination.

The intermediary would then advise the hospital in writing of the interim payment rate determination at least 30 days prior to the start of the hospital's first cost reporting period under the capital prospective payment system. At a hospital's request, the fiscal intermediary would make interim rate

adjustments if necessary based on a hospital's submission of supporting documentation.

*Comment:* Many commenters expressed concern that interim payments for inpatient capital costs would be disrupted and biweekly payments eliminated due to implementation of the capital prospective payment system.

*Response:* We do not believe that implementation of the capital prospective payment system will result in a severe disruption of interim payments. The process the Medicare intermediaries will follow to make the interim payment determinations was explained in the proposed rule (56 FR 8492) and remains generally unchanged except to reduce the time by which hospitals with cost reporting periods beginning before January 1, 1992 must submit any needed documentation on estimated FY 1992 costs from 120 to 90 days before the start of their cost reporting period. The additional documentation requirements will change to reflect the expanded definition of old capital. A hospital will no longer need to separately estimate depreciation and interest expenses for old capital; however, a hospital will need to estimate expenses for capital assets that have been put in use since the base period and which of these assets, if any, meet the obligated capital definition. This information, in combination with the base year cost report data that the intermediary already has on file, will be used to make the interim hospital-specific rate determination and resulting payment methodology determination. The intermediary will notify the hospital of its interim payment determination 30 days prior to the start of the hospital's cost reporting period. The hospital will have an opportunity to submit additional data, including information on obligated capital, that would affect these determinations. In almost all cases, we believe that the interim payment determinations can be made expeditiously and accurately before the hospital comes under the capital prospective payment system. We note that if a hospital does not submit the necessary data timely, the hospital would be paid on an interim basis based on 100 percent of the Federal rate.

The commenters are correct that automatic biweekly pass-through payments for capital costs will be replaced by the interim payment process applicable to prospective payments under § 412.116 (a) and (b). The entire interim capital payment, including when applicable a hold-harmless payment for old capital, will be computed on a per discharge basis as part of the PRICER

program used to determine payments under the operating prospective payment system. The hospital will be provided with a breakdown of the various components of the capital payment. We do not believe that the elimination of the bi-weekly payments will adversely affect hospitals since the Medicare intermediaries are meeting the statutory timeframes for payment of discharge billings.

### C. Exceptions Process

Under the authority of section 1886(g)(1)(B)(iii) of the Act, we proposed to establish an exceptions process to assist hospitals that are financially disadvantaged during the transition period. The exceptions process would be available to hospitals paid under either the fully prospective payment methodology or the hold-harmless payment methodology that incur capital costs significantly in excess of their payments. We proposed that, in FY 1992, any hospital would be eligible for an additional payment under the exceptions process if its capital costs exceed 150 percent of the capital payments it would receive in the absence of the exceptions process. A hospital would be paid 75 percent of its costs in excess of the 150 percent threshold. As explained below, under certain circumstances, we proposed that an urban hospital with 100 beds or more that has a disproportionate share percentage of at least 30 percent or a rural sole community hospital would receive a higher level of payment under the exceptions process.

The basic purpose of the exceptions policy is to assure continuing access to high quality care for Medicare beneficiaries. In this regard, we are particularly sensitive to the need to provide special protection to rural sole community hospitals, which serve as the sole source of care reasonably available to Medicare beneficiaries residing in their service area, and urban hospitals with more than 100 beds that serve a disproportionate share of low income population. We proposed to establish a more lenient exceptions policy for these two classes of hospitals that would base the amount of the additional payment on the ratio of the hospital's current capital costs to its hospital-specific rate. In FY 1992, the hospital would receive 75 percent of its Medicare inpatient costs in excess of between 100 and 125 percent its Medicare payments, depending on the size of the cost to hospital-specific rate ratio. We also proposed that the amount of the exceptions payment under this special provision could not exceed the



difference between the hospital's total Medicare inpatient costs (operating, capital, and direct medical education costs) and its Medicare payments for Part A inpatient hospital services for the cost reporting period. A rural sole community hospital or an urban hospital with more than 100 beds and a disproportionate share patient percentage of at least 30 percent would be paid under the general exceptions policy applicable to other hospitals if it would receive a higher payment under the general exceptions policy.

We proposed to limit the aggregate amount of the exceptions payments to no more than 10 percent of the total capital payments made on a prospective basis, that is, 10 percent of the payments based on the hospital-specific and the Federal rate. We would reduce the hospital-specific and the Federal rate so that the aggregate reduction in a given year would equal the estimated amount of additional payments that would be made under the exceptions process in that year. In the proposed rule, we estimated that the exceptions payments in FY 1992 would constitute 6.92 percent of total prospective payments; therefore, we multiplied the hospital-specific and Federal rate by an exceptions reduction factor of .9308 (1 - .0692). We indicated that if the payment formula we proposed for FY 1992 would result in estimated exceptions payments that exceed 10 percent of total prospective payments in a subsequent year, we would raise the cost threshold to qualify for an exception or reduce the payment percentage so that the estimated payments under the exceptions process would equal 10 percent of total prospective payments in that year.

We proposed to establish an exceptions process only for the transition period. At the end of ten years, additional payments for exceptions would no longer be available. We specifically requested public comment on this issue and suggestions regarding any special protections that should be extended to hospitals after the transition has ended.

*Comment:* Many commenters supported different formulations of the exceptions methodology. A large number recommended that the exceptions policy be replaced by a payment floor that would be an integral and permanent part of the capital prospective payment system. They believed the permanent payment floor is needed to assure some level of financial stability for hospital managers and access to financial markets. A commenter suggested that exceptions payments should be reduced to the

extent that prior years' capital payments exceeded capital costs.

*Response:* We believe that it would be inappropriate to establish a permanent exceptions policy at this time. We believe that hospitals will have adequate time during the transition to adjust their capital expenditure levels to fully Federal payment rates. However, we intend to carefully monitor the impact of the capital prospective payment system throughout the transition. We will be in a better position later in the transition, when there has been actual experience with capital prospective payments, to determine whether some type of permanent exceptions process is needed and the circumstances under which additional payments would be made. Any provision for a permanent exceptions policy at the outset of the transition would be premature.

We regard a permanent payment floor as antithetical to the prospective payment system because it is simply a variation of payment based on reasonable costs. A permanent payment floor would undermine the incentives of the prospective payment system by guaranteeing that the hospital would receive a percentage of its costs regardless of its new capital acquisition behavior. However, we do agree with commenters that the proposed exceptions methodology was complicated and that an exceptions formula that provided for minimum payment levels would be more straightforward and equitable than the implicit payment levels provided by the exceptions formula in the proposed rule. Therefore, we are revising the exceptions formula so that the amount of the exceptions payment will be determined as the difference between a percentage of the hospital's reasonable capital-related costs and the payments that it would receive under the capital prospective payment system in the absence of the exceptions process. Consistent with the proposed rule, we are establishing the minimum payment levels by class of hospital. The minimum payment levels for portions of cost reporting periods occurring during FY 1992 are as follows:

- Sole community hospitals (located in either an urban or rural area), 90 percent;
- Urban hospitals with at least 100 beds and a disproportionate patient percentage of at least 20.2 percent, 80 percent; and,
- All other hospitals, 70 percent.

The minimum payment levels in subsequent transition years will be revised, if necessary, to keep total

payments under the exceptions process or at no more than 10 percent of capital prospective payments. We also agree with the commenter who suggested that exceptions payments in subsequent years should take into consideration the capital prospective payments that the hospital received in earlier years. We do not believe it would be equitable for a hospital to receive excess payments in some years and an exception payment beginning in the year it makes a major capital expenditure. Therefore, we are also revising the exceptions policy to provide that effective with cost reporting periods beginning in FY 1993, the exceptions payment amount will be determined on a cumulative basis. That is, the hospital's exception payment will be based on a cumulative comparison of its payments under the capital prospective payment system to its minimum payment level (for example, 70 percent of reasonable costs) over each cost reporting period subject to the prospective payment system. Any amounts by which, on a cumulative basis, the hospital's payments in prior cost reporting periods exceeded its minimum payment level for those cost reporting periods will be deducted from the additional payment that would otherwise be payable for the current cost reporting period.

*Comment:* Many commenters believe that the disproportionate share patient percentage of 30 percent needed to qualify for the special exceptions payment under the proposal is too restrictive. Most of these commenters supported the use of 20.2 percent as the patient threshold percentage since that is the patient percentage above which operating disproportionate share payments become more generous. Some believe that any hospital that received DSH payments under the operating system should be eligible for the special exception.

*Response:* In the final rule, we are providing that urban hospitals with 100 or more beds and a disproportionate share patient percentage of 20.2 percent or higher will be eligible to receive exceptions payments based on a higher minimum payment level than other hospitals. For FY 1992, the minimum payment level is 80 percent. Urban hospitals with 100 or more beds that receive disproportionate share payments under § 412.106(C)(2) would also be eligible for the higher minimum payment level. We are not extending the special protection to other hospitals that receive disproportionate share payments under the operating prospective payment system. In urban areas, we believe that our criteria

properly focuses on those hospitals that serve a large disproportionate share population. Other urban hospitals receiving disproportionate share payments tend to serve fewer low income patients either because of their smaller size (i.e., under 100 beds) or lower disproportionate share patient percentage. In rural areas, we believe the more relevant criteria for determining whether a hospital should receive special payment protection is whether the hospital represents the sole source of care reasonably available to Medicare beneficiaries.

*Comment:* Two commenters expressed a concern that the special exception in the proposed rule was limited to rural sole community provider hospitals and excludes urban sole community hospitals.

*Response:* We agree with the commenters that urban sole community hospitals should also receive special payment protection because they represent the sole source of care reasonably available to Medicare beneficiaries in their area. Therefore, in this final rule we are providing for the same payment protection for urban sole community hospitals as for rural sole community hospitals. In FY 1992, the minimum payment level for sole community hospitals is 90 percent.

*Comment:* Some commenters supported more generous exceptions for various other classes of hospitals, including Medicare-dependent hospitals, small rural hospitals and rural referral centers.

*Response:* We are making special payment protection available to urban as well as rural sole community hospitals and to hospitals eligible for capital disproportionate share payments with a disproportionate patient percentage of at least 20.2 percent. We believe that concerns about access to care are most properly focused on these hospitals that serve vulnerable populations, and we are providing a higher level of protection to them as a result. We do not find the same kind of special circumstance for the other classes of hospitals cited by the commenters that would warrant their receiving a higher level of protection than other hospitals. In the absence of such a special circumstance, we believe it would be inappropriate for the exceptions policy to diminish the incentives under the prospective payment system for hospitals to make efficient capital determinations.

With respect to Medicare dependent hospitals in general (that is, hospitals with more than 65 percent Medicare utilization), we are sensitive to the concern that their dependence on

Medicare revenues makes them financially vulnerable under the capital prospective payment system. At the same time, we believe that these hospitals have less incentive than other hospitals to make efficient capital decisions because a higher proportion of their costs are paid by Medicare. Therefore, we believe that it is important to retain to the extent possible the full incentives of the prospective payment system. Although we are not providing special treatment for these hospitals in this final rule, we intend to analyze why these hospitals tend to have higher capital costs and whether special treatment is appropriate. We will closely monitor the impact of the prospective payment system on Medicare dependent hospitals and we will complete our study before next Spring so that if changes are merited, they can be proposed in the proposed rule setting forth the FY 1993 payment policies and rates. We recognize the important role these hospitals play in maintaining access to care for Medicare beneficiaries.

We believe the statutory limitation on the special treatment of Medicare-dependent, small rural hospitals under the prospective payment system for operating costs does not support establishing a special payment provision for these hospitals under the capital prospective payment system. Under section 1886(d)(5)(G) of the Act, as added by section 6003(f) of Public Law 101-239, the special payment method for these hospitals under the operating prospective payment system expires with cost reporting periods ending on or before March 31, 1993. Further, the context in which this provision was enacted suggests that it was seen as temporary, until the rural payment rate for operating costs was increased to the other urban payment rate. We do not believe it would be appropriate to establish special payment protection under the capital prospective payment system when the special treatment of these hospitals under the operating prospective payment system will no longer apply with cost reporting periods ending after March 31, 1993.

Under the operating prospective payment system, rural referral centers receive special treatment by being paid the standardized amount applicable to other urban hospitals. This special treatment recognizes that they provide mix of services that are more typical of urban hospitals than rural hospitals. Special payment protection is unnecessary under the capital prospective payment system, however, because there are not separate rates for

urban and rural hospitals. We also note that most rural referral centers will benefit from a higher geographic adjustment factor because they have been reclassified for purposes of the hospital wage index by the Medicare Geographic Classification Review Board under section 1886(d)(10) of the Act.

*Comment:* Many commenters opposed the policy in the proposed rule that limited special exceptions payments to total Medicare costs less total Medicare payments before capital exceptions for inpatient hospital services. Some commenters particularly opposed the inclusion of disproportionate share payments in this limit, asserting that disproportionate share payments are intended as a supplement to the prospective payment system payments. A few commenters suggested that if the limit were retained, it should be based on the hospital's total patient margin rather than its Medicare margin. One commenter supported the limitation for general exceptions as well as special exceptions. Another commenter suggested that a limit be placed on gains to providers whose payments exceed costs to reduce the hardship on providers whose capital costs exceed capital payments.

*Response:* We are eliminating the restriction that was in the proposed rule on the amount of exceptions payments for hospitals qualifying for a higher exceptions payment level. In this final rule, the amount of the exceptions payment will be determined solely on a comparison of the hospital's capital prospective payments and costs and will be unaffected by the hospital's Medicare margin under the operating prospective payment system. As noted, the comparison will be made on a cumulative basis. Under this policy, any capital payments in excess of the minimum payment level in prior years under the capital prospective payment system will be taken into account in determining the amount of the exceptions payment.

We believe that it is appropriate to fund exceptions payments through a reduction of the Federal rate and the hospital-specific rates. In this way, all hospitals contribute to exceptions payments. The blending of the Federal and hospital-specific rates provided by the fully prospective payment methodology already places a limit on the gains of low capital cost providers and any additional limitation would only serve to prevent those hospitals from acquiring new capital when needed. Although we do not believe it would be appropriate to place a ceiling on the amount of total payments

received under the prospective payment system, we believe it is appropriate to take the capital payments received in prior years into account in determining the amount of an exceptions payment. By doing so, the capital losses that a hospital has in the current year may be offset by higher capital payments in prior years and the amount of the exceptions payment will be reduced. The cumulative determination will result in lower aggregate exceptions payments. All hospitals will benefit through a lower exceptions payment reduction factor and the greater potential for maintaining the current minimum payment levels in the future.

*Comment:* Many commenters supported a separate exceptions process for extraordinary circumstances. The commenters argued that there are situations beyond the scope of the standard exceptions policy that must be recognized for additional payment.

*Response:* We agree with the commenters that there may be extraordinary circumstances beyond a hospital's control that will require it to make an unanticipated major capital expenditure. In these circumstances, it is appropriate to provide additional financial protection through a special exceptions payment. Extraordinary circumstances include, but are not limited to, fire, earthquakes, floods, or similar unusual occurrences that result in major unanticipated capital expenditures to repair or replace buildings. We would provide for an additional payment if the extraordinary circumstances result in unanticipated capital spending of at least \$5 million. We believe that the \$5 million limit is necessary to ensure that the hospital would face substantial financial loss without the special exception. In determining if the \$5 million threshold is met, we would take into account any insurance proceeds received by the hospital in connection with the extraordinary event.

For other than sole community hospitals, the exception would modify the hospital's minimum payment level to equal 85 percent of its costs for the unanticipated capital expenditure and the applicable minimum payment percentage for its other capital costs. For sole community hospitals, the hospital's minimum payment level would equal 100 percent of its costs for the unanticipated capital expenditure plus 90 percent of its other costs. As with other exceptions payments, the amount of the payment will be determined on a cumulative basis.

Payments would not be made under the extraordinary circumstances exception for financial losses

attributable to declines in patient volume. Further, we would ordinarily not make payments under this provision for added capital costs attributable to building renovations and replacements required to meet life safety codes or other Federal, State, or local building code requirements. To a large extent, these costs are applicable to all hospitals and should be anticipated as part of their on-going modernization plans.

Requests for the extraordinary circumstances exception are made to the appropriate HCFA Regional Office within 180 days of the occurrence causing the capital expenditure. The request must be made in writing and provide an explanation with supporting documentation of the circumstances that led to the unanticipated capital expenditure and the estimated amount of the expenditure. The Regional Office will evaluate the request and forward its recommendation to the HCFA Administrator for a final decision. We recognize that the total cost attributable to the extraordinary circumstance may not always be known at the time the request is filed. In these situations, we will allow the hospital to submit an estimate and HCFA's decision will be contingent on a final determination of the associated costs. This procedure will increase payment predictability for hospitals by allowing them to know in advance of making a major capital expenditure whether HCFA considers the events leading up to the expenditure to be extraordinary circumstances that warrant a special exceptions payment.

Following is an example to clarify the application of the extraordinary circumstances exceptions policy:

*Example:* Hospital X, a 75 bed rural hospital, begins receiving capital prospective payments effective with its cost reporting period beginning January 1, 1992. On July 3, 1992 it sustains severe structural damage to an inpatient wing as a result of a tornado. Prior to January 3, 1993, the hospital files a written request with the servicing HCFA Regional Office for an additional payment under the extraordinary circumstances provision along with the following supporting documentation:

- Evidence of the extraordinary circumstance from public media releases, insurance company or public agency damage reports;
- Independent capital replacement and repair cost estimates from an architect or construction firm and current equivalent equipment replacement cost statements from manufacturers and suppliers; and
- Evidence of the extent to which the loss will be covered by insurance proceeds or other sources such as government relief funds.

Upon completion of the HCFA recommendation and review process, HCFA grants conditional approval for the exception

request pending reopening of the wing and verification of net cost to the hospital.

During Hospital X's 1996 fiscal year, the rebuilt wing is reopened, and the hospital submits documentation with its cost report that the increase in the hospital's cost basis for depreciable assets that is attributable to the hospital's allowable loss on the damaged wing as calculated in accordance with Medicare reasonable cost principles (Section 133 of HIM-15-1) and the buildings repairs equal \$6 million. The Regional Office notifies the intermediary and the hospital of final approval of the extraordinary circumstances exception request. Since the increased cost basis will be amortized over the remaining life of the wing, Medicare's share of the increased costs will be determined in each remaining transition year based on the depreciation and interest expenses in that year attributable to the building damage and repairs.

In its cost reporting period beginning January 1, 1998, the hospital reports \$400,000 in depreciation and interest expenses attributable to the extraordinary circumstance and \$1.2 million in other inpatient capital-related costs. Assuming the hospital is subject to the 70 percent minimum payment level, the minimum payment level for the cost reporting period is \$1,180,000 ( $\$400,000 \times .85$  plus  $\$1,200,000 \times .70$ ). If the hospital's capital prospective payments for the cost reporting period are less than this amount, the hospital will receive an additional payment equal to the difference between the payments and the adjusted minimum floor less any cumulative excess payments over the minimum payment levels in prior cost reporting periods.

*Comment:* Several commenters asserted that payments should be adjusted for occupancy rates. Some commenters indicated that payments should be adjusted if occupancy falls at least a certain amount, since the same amount of capital will be distributed over fewer cases. Other commenters believe that a special exception is warranted only if the occupancy decline is due to factors beyond a hospital's control, such as a military base closing in the hospital's service area. Other commenters suggested that hospitals with especially high occupancy should receive an adjustment, because they use their capital more intensively and need to replace it more frequently. One commenter advocated annual rebasing of the hospital-specific rate to consider occupancy changes. One commenter opposed any occupancy adjustment. Finally, one commenter believed that if occupancy is considered at all, outpatient utilization should be examined as well.

*Response:* We do not believe that there is any need for an occupancy adjustment to capital prospective payment system payments. In the case of normal fluctuations in occupancy rates, payments should average out over

time. Therefore, an annual redetermination of the hospital-specific rate is not necessary. It would also undermine the incentives of the prospective payment system by automatically building into the hospital-specific rate any additional excess capacity that the hospital develops after the base year. The exceptions provisions set forth in this final rule will protect hospitals from large declines in occupancy rates. The per case payment system will allow hospitals with increases in occupancy to profit, and thus to replace their capital when necessary.

*Comment:* Several commenters suggested that the exceptions process should enable hospitals to recoup capital costs resulting from government building codes, life safety code regulations, and other comparable requirements. Other commenters suggested that the cost of facility replacements and renovations that are necessary to comply with Federal and state laws or are required by the age of the plant should receive special treatment.

*Response:* General increases in capital costs attributable to changes in life safety codes or other building requirements should be accounted for in the capital intensity component of the update factor. Capital costs incurred by individual hospitals that are attributable to building code changes should be anticipated in a hospital's capital planning for normal investment and improvements and do not warrant a special exceptions provision.

*Comment:* Many commenters objected to our proposed payment policies for sole community hospitals (SCHs). In particular, some commenters believed that SCHs should be exempt from the capital prospective payment system. Other commenters believed that all rural hospitals, or essential access community hospitals (EACHs) and rural primary care hospitals (RPCBs), or Medicare-dependent small rural hospitals (MDHs) should be exempt from the prospective payment system for inpatient capital-related costs.

*Response:* Rural primary care hospitals (RPCBs) are not "subsection (d)" hospitals and thus are not subject to the capital prospective payment system under section 1886(g)(1) of the Act. This is because section 1861(e), as amended by section 6003(g)(3)(D)(x)(I) of Public Law 101-239, provides that the term "hospitals" does not include RPCBs unless the context otherwise requires their inclusion. In addition, section 1814(1), added by section 6003(g)(3)(B)(iii)(II) of Public Law 101-239, indicates that these inpatient

services until a prospective payment system is developed.

On the other hand, we do not believe that Congress intended to exempt sole community hospitals from the capital prospective payment system. Under current law, SCHs are specifically exempted from the percentage reductions in reasonable cost payments for capital under section 1886(g)(3)(A). Prior to 1987, section 1886(g)(3)(C)(i), as enacted by section 9303(a) of the Omnibus Budget Reconciliation Act of 1986 (Pub. L. 99-509), explicitly provided a three year exemption for SCHs from payment of inpatient capital-related costs under the prospective payment system. It required the Secretary to continue payment of the inpatient capital-related costs of SCHs under the reasonable cost methodology described in section 1861(v)(1) for cost reporting periods beginning before October 1, 1990.

In 1987, section 4006(b) of the Omnibus Budget Reconciliation Act of 1987 (Pub. L. 100-203) enacted section 1886(g)(1)(A) of the Act, which dropped the exemption of SCHs from capital prospective payments, while retaining the exemption from the percentage reduction of capital reasonable cost payments. The language in section 1886(g)(1)(A) contemplates that "subsection (d) hospitals" be paid under a capital prospective payment system. SCHs are included in subsection (d) hospitals, as are all of the hospital groups suggested for exemption by the commenters with the exception of rural primary care hospitals as discussed above. There is no suggestion in the statute or committee reports that SCHs (or any other class of hospitals) might be exempted. We would expect that, if Congress had intended to exempt any hospitals, it would have done so explicitly, given the context in which section 1886(g)(1) was enacted. In view of the legislative history of section 1886(g), we believe the conspicuous failure of Congress to provide a specific exemption indicates that Congress deliberately intended that all subsection (d) hospitals be subject to the prospective payment system required under section 1886(g)(1) of the Act. Therefore, we are not exempting SCHs from the capital prospective payment system.

We similarly believe that Congress would have specifically exempted Medicare-dependent, small rural hospitals and essential access community hospitals (EACHs) if it had intended that those hospitals not be subject to the capital prospective payment system. Both types of hospitals are paid in the same manner as sole

community hospitals. We would note that these hospitals have not been statutorily exempted from the percentage reductions in capital reasonable cost payments under section 1886(g)(3)(A) of the Act. We do not believe they should be exempted from the capital prospective payment system required under section 1886(g)(1) of the Act.

*Comment:* Several commenters stated that, since SCHs are currently paid 100 percent of their costs, rather than 85 percent, they should be paid 100 percent of their old capital costs, and the Federal rate and hospital-specific rate should be budget neutral to 100 percent of their costs. Some commenters argued that SCHs and Medicare-dependent small rural hospitals (MDHs) should have the choice of being paid either a hospital-specific rate or the Federal rate, just as they do for the operating prospective payment system.

*Response:* We agree that the hold-harmless payment for SCHs (located in either an urban or rural area) should be based on 100 percent of their old capital costs because this is the level at which they are currently paid for their inpatient capital-related costs. Therefore, in this final rule, we are providing that SCHs will receive 100 percent of their reasonable costs for old capital under the hold-harmless payment methodology.

We disagree, however, that there should be a special budget neutrality adjustment for SCHs. We also disagree with the comments suggesting that SCHs and MDHs should be paid based on the higher of their hospital-specific rate or the Federal rate. There are no special provisions for either class of hospital in the legislation governing the capital prospective payment system; and we do not propose to create any unique payment methodologies under the capital prospective payment system for specific classes of hospitals. We believe that the special transition policies that we have provided for SCHs in this final rule (that is, the higher hold-harmless payment for old capital and the more generous exceptions policy) are sufficient.

*Comment:* Some commenters suggested that a hospital located in a State with an effective Certificate-of-Need (CON) program should receive special treatment under the exceptions policy. The commenters suggested that the effectiveness of the program could be measured by factors such as the Statewide occupancy rate, and guidelines could be established that the CON program would need to meet in order for all the hospitals in the State to

qualify. An individual hospital could also qualify based on characteristics such as occupancy rate, age of plant, total asset turnover ratio, provision of charity care, and other criteria related to need or efficiency. Another commenter suggested that a waiver program should be established for States with an effective CON program. Under the waiver, the State could direct the redistribution of Medicare payments, which would be limited in the aggregate to the amounts that would be payable under the capital prospective payment system.

*Response:* We are not accepting the commenters' recommendations. We believe that the transition policies that we have adopted in this final rule provide adequate protection for all hospitals until they have had time to adjust to the capital prospective payment system. We believe that the higher exceptions payments for sole community hospitals and urban hospitals with at least 100 beds and a high disproportionate patient percentage, and the special obligated capital provisions for hospitals in CON States, will provide sufficient protection to hospitals. The fundamental purpose of the prospective payment system is to control capital spending in a non-regulatory manner. If we were to establish a special exceptions process that is related to the planning process, particularly one that would require that we set standards regarding what would constitute effective planning, we would be moving toward a more regulatory approach to controlling capital expenditures.

The Statewide waiver program suggested by the one commenter represents too significant a change from the proposed rule to be adopted without considerable study and proposed rulemaking.

*Comment:* Several commenters stated their concern regarding the timing of exceptions payments if they are based on the Notice of Program Reimbursement. They would prefer that payments be determined based on the "as filed" or settled cost reports.

*Response:* We agree with the commenters. While the final exceptions payment amount cannot be determined until the notice of amount of program reimbursement (NPR) is issued, an interim payment will be made at the time of tentative settlement of the cost report. In addition, we are providing that the intermediary may include an estimated exceptions payment in the hospital's interim payment if the intermediary determines that there would otherwise be a significant

underpayment during the cost reporting period.

*Comment:* Many commenters believe that our proposal to limit total exceptions payments to no more than 10 percent of total capital prospective payments will result in inadequate protection for hospitals that are financially disadvantaged under the capital prospective payment system. Some commenters recommended that no limitation be placed on the amount of exceptions payments and that the exceptions payments be funded through a reduction factor applied to both capital and operating prospective payments.

*Response:* We believe it is necessary to balance the protection afforded to some hospitals through the exceptions process with the amount of reduction in capital payment rates necessary to fund the exceptions provisions. We do not agree with the commenters that the exceptions payments should be open-ended. Further, we do not believe that it would be appropriate to reduce operating payments to fund capital exceptions payments. The prospective payment system for operating costs has been in place for several years, and hospitals have had stronger incentives to control their operating costs than their capital-related costs.

We note that with the changes in the definition of old capital and other transition policies that we are adopting in this final rule, we project that there will be considerably fewer exceptions payments than in the proposed rule and the 10 percent limitation should not be a factor for several years. If and when it becomes a factor will depend largely on whether hospitals respond to the incentives of the capital prospective payment system and reduce new capital spending. As the transition progresses, hospitals will have had more time to adjust to prospective payments, and it would be appropriate for the level of protection that is provided to an individual hospital to decline.

*Comment:* Many commenters believed HCFA should be required to account for all dollars expended from the exceptions pool since the established Federal rate is adjusted by an exception payment reduction factor. The commenters recommended that, if the pool is not fully spent, the excess amounts be built into the standardized rate in subsequent years and that those amounts be considered part of the budget baseline for the Federal rate.

*Response:* We did not propose an exceptions "pool" but rather that the Federal and hospital-specific rates be reduced by the estimated amount of

exceptions payments. Consistent with the concept of prospective payments, the exceptions reduction factor (as well as the budget neutrality adjustment factor and outlier reduction factor) are determined based on the best data available when the rate is established. Since the rates are prospective, there is no retroactive adjustment if actual payments are more or less than anticipated. The appropriate adjustment factors will be reestimated annually based on more recent data, but no correction will be made for prior year differences between estimated exceptions payments and actual exceptions payments. Not only would such an adjustment violate the prospective nature of the rate setting, but also it would be impracticable. It will be at least fiscal year 1996 before cost reports that cover portions of fiscal year 1992 will be settled and the actual amount of fiscal year 1992 exceptions payments are known and could be used to make an adjustment. Finally, we note that the commenters were only concerned with the possibility that exceptions payments may be less than anticipated. The exceptions payments could also be more than the amount anticipated in setting the exceptions reduction factor. Although we are not providing for any adjustment to account for prior year differences between actual and estimated exceptions payments, we believe that if there were such an adjustment, it should be made when there are more exceptions payments as well as less exceptions payments than anticipated.

*Comment:* Commenters supported an exception policy for hospitals that can document that there is a significant difference between their area's hospital wage index and its construction cost index.

*Response:* We are not providing for a specific exception on this basis. We recognize that the geographic adjustment factor is an area of concern, and we will continue to examine it in conjunction with a review of hospital labor market areas and the construction cost index.

*Comment:* One commenter expressed a concern for those hospitals that have fully depreciated buildings and asked for special consideration for these hospitals.

*Response:* We expect that hospitals with fully depreciated plant are low cost hospitals and that their hospital-specific rates will fall below the Federal rate. As a result, they should receive capital prospective payments in excess of their current capital costs which will allow



them to plan for acquisitions accordingly.

*Comment:* Many commenters suggested providing more protection to hospitals through exceptions in the first year by adjusting payments so that estimated aggregate exceptions payments would be around 10 percent instead of the 6.92 percent of total capital payments proposed. One commenter supported the policy that the exception payments should not be more than 10 percent of total payments. Two commenters believed that exceptions payments should be limited to 5 percent of estimated capital payments.

*Response:* With the increased protection we are providing for existing capital commitments and other refinements in the transition payment policies, the estimated aggregate exceptions payments in the final rule are lower than those projected in our proposal for the first several transition years. In fiscal year 1992, the estimated exceptions payments will be 1.9 percent of total prospective payments (exclusive of hold-harmless payments for old capital) compared to 6.92 percent in the proposed rule. We believe that the exceptions protection we are providing in fiscal year 1992 through the minimum payment levels and the exceptions for extraordinary circumstances achieves the proper balance between retaining the incentives of the prospective payment system and providing additional payments to financially disadvantaged hospitals. Higher minimum payment levels would undercut the incentives of capital prospective payments. Unless hospitals curtail new capital spending, our projections indicate that a 5 percent limit on exceptions payments will not provide sufficient protection to hospitals in need of exceptions payments in 1994 and thereafter. Therefore, we are providing for the 10 percent limit; however, the actual need for exceptions payments will depend on the actions hospitals take to constrain new capital expenditures.

#### D. Update Factor After FY 1992

In the proposed rule, we indicated that through fiscal year 1995 we would provide for an update in the Federal rate and the hospital-specific rate based on actual increases in Medicare inpatient capital-related costs per case that occurred two years previous to the fiscal year in question, adjusted for case mix. Beginning in fiscal year 1996, we proposed to determine the update through an analytical framework that would take into consideration increases in the capital market basket and appropriate changes in capital

requirements resulting from new technology and other factors.

*Comment:* Some commenters expressed concern that by using lagged increases in actual capital costs to develop the update factor used through fiscal year 1995, we will be building any changes in investment behavior due to the prospective payment system for inpatient capital-related costs into the update factor. Others believed that lagged updates will insufficiently reflect current increases in capital costs. Some commenters proposed that we use an estimate of current increases in capital costs through fiscal year 1995, perhaps using the AHA survey data, or an actuarial model of growth in capital costs. Others preferred a three-year average increase, in order to smooth the annual change in the update factor. One commenter proposed a one year lag.

*Response:* Because of the budget neutrality adjustment, the methodology used to update the Federal rate in fiscal year 1993 through fiscal year 1995 will not affect aggregate payments for capital-related costs in those years. Nevertheless, it is important that an appropriate update methodology be established because it will affect the level of the Federal and hospital-specific rates that will be in effect in fiscal year 1996 when the budget neutrality provision is no longer applicable. Based on public comments, we are establishing the use of a lagged two-year moving average of actual increases in Medicare inpatient capital costs per discharge. This two-year moving average will be based on the actual increase, adjusted for case-mix index change, in Medicare inpatient capital costs per case for the fiscal years three and four years previous to the fiscal year in question. For fiscal year 1993, we will base the increase on the increase in Medicare inpatient capital costs per discharge between fiscal year 1988 and fiscal year 1990. These are the most recent fiscal years for which cost report data will be available. The use of the two-year moving average should result in a smoother update factor than under the proposed methodology. By increasing the lag from two years to up to four years, the concern expressed by some commenters that the update may be distorted by changes in hospital behavior will be minimized since only the fiscal year 1995 update factor will be based (and then only in part) on cost increases occurring under the capital prospective payment system. In addition, we have determined that a two-year lag is insufficient if the update is based on the actual increase in Medicare inpatient capital costs per

case and that an earlier period must be used in order to allow time to receive and analyze the relevant cost report data.

We believe that, until it is possible to implement our update framework, it is appropriate to use historical increases in capital costs. It will provide the hospital industry with more certainty as to how the update factor will be established than would be the case if we relied on actuarial projections. We note that the AHA survey could not provide us with a contemporaneous estimate of the growth in capital costs, but rather with a more recent estimate in the growth of capital spending.

*Comment:* Commenters expressed a great deal of concern over the update methodology to be used following fiscal year 1995. These commenters stated that there is too much uncertainty regarding updates in this period, and that their access to financing will be impaired as a result.

*Response:* While we agree that we should provide more information on how the update factor will be determined after fiscal year 1995, we do not believe the lack of a specific detailed methodology at this time should create so much uncertainty as to impair access to financing. Since 1983, hospitals and the financial community have lived with the uncertainty of how payments for capital-related costs will be made in the future. Any uncertainty regarding future updates pales in comparison.

Although the use of the analytical update framework will not affect aggregate program payments through fiscal year 1995, we intend to publish in the *Federal Register* an update framework well in advance of its application. In next year's notice of proposed fiscal year 1993 payment rates, we will provide an empirical example for fiscal year 1993 using available data and concepts. The empirical example will demonstrate the consistency and relationships of the framework with the historical trends in operating and capital related costs through 1990 and with the budget neutral update for fiscal year 1993. In following notices for fiscal year 1994 and fiscal year 1995, we will provide successively improved framework empirical examples. In these interim periods, we will be soliciting comments on the framework methodology and its application and recommendations to improve it. For cost report years beginning in fiscal year 1996, the framework will be implemented based on an evaluation of improved conceptual and empirical foundations.

The analytical framework will take into account (1) changes in the price of capital (which we will incorporate in a capital market basket) and (2) appropriate changes in capital requirements resulting from new technologies, diffusion of existing technologies, and other factors. The objective of the framework is to provide a rate of increase in the aggregate capital-related payment rate which, along with a rate of increase in DRG payment rates, ensures that capital and operating services will be sufficient for efficient and effective care for Medicare patients. Appendix B contains a discussion of the concepts that we are using to develop the analytical framework. We invite public comment on these concepts and other factors that we should take into account in determining the update factor. We intend to take the public comments into consideration and propose a specific update methodology for fiscal year 1996 and thereafter in the proposed notice of fiscal year 1993 prospective payment rates that will be published in the *Federal Register* next spring. To give the public time to evaluate this issue, we will accept comments on the update framework through November 30, 1991. Comments should be submitted to the following address: Health Care Financing Administration, Division of Hospital Payment Policy, 1-H-1 East Low Rise, 6325 Security Boulevard, Baltimore, Maryland 21207. Attn: Update Framework.

*Comment:* We received comments asserting that the Federal rate does not account for the changing composition of capital over time.

*Response:* The effects on costs of the changing composition of capital are implicitly built into the update factors we use to inflate the base year capital data to 1992 and later.

*Comment:* Some commenters preferred an immediate move to a price index, such as the Consumer Price Index (CPI) or the Dodge index.

*Response:* We believe considerably more analysis is required before adopting a specific update methodology. Further, we believe that the update methodology should be subject to proposed rulemaking well in advance of its implementation, so that we may take commenters' concerns into account in developing the final methodology.

*Comment:* There is considerable concern about the level of the update factors. Many commenters believed that the updates will be insufficient because of Federal budget considerations. Some commenters asked that we commit to full updates, while one commenter asked that we establish the estimated

updates used in the computer program that we distributed to hospitals to assist them in evaluating the potential impact of the proposed capital prospective payment system. Several commenters asserted that the updates will not reflect increases in capital costs.

*Response:* We do not believe that it is appropriate to commit to any particular level of update factor, but rather to commit to the process of determining the update factor.

*Comment:* One commenter is concerned about the interaction of any new technology factor in the update methodology and the new requirements that new technology should be cost effective.

*Response:* This is an important issue that we will be addressing in the analytical framework that we will propose next year. As a general principle, we believe that the costs of health-enhancing new technologies that are covered under the Medicare program should be reflected in the update factor.

#### *E. Budget Neutrality Adjustment*

Section 4001(b) of Public Law 101-508 amended section 1886(g)(1)(A) of the Act by adding a requirement that aggregate payments made each year in fiscal year 1992 through fiscal year 1995 for hospital inpatient services be reduced in a manner that results in savings equivalent to 10 percent of the amount that would have been payable on a reasonable cost basis for capital-related costs in that year. The statute provides the flexibility to achieve the savings through the design of the capital prospective payment system or through an adjustment to the standardized amounts for operating costs, or both. Since hospitals have been paid for capital based on their costs, they have less incentive to control their capital costs than their operating costs. We believe that the capital prospective payment system ought to generate at least 10 percent savings over reasonable costs. Currently, Medicare payments are subject to a 15 percent reduction so the 10 percent savings would actually result in a 5.9 percent increase in aggregate Medicare payments for inpatient capital costs. We proposed to achieve the savings only through a reduction in payment for capital costs in fiscal year 1992 through fiscal year 1995. After the budget neutrality provision expires, payments would be made without regard to the budget neutrality adjustments that were applied during the first four years.

To achieve budget neutrality in aggregate payments requires that we develop a dynamic model of Medicare inpatient capital costs, that is, a model

that projects changes in Medicare inpatient capital costs over time. The model is used to project the amount of capital costs that will be covered by the hold-harmless provision, the rate at which the old capital will be depreciated and written off, and the rate at which new capital will be acquired. The model is necessary to establish the combination of payment policies that will result in total capital payments each year during the period of fiscal year 1992 through fiscal year 1995 that are equivalent to 90 percent of the amount that would have been payable in that year on a reasonable cost basis. It is also used to estimate payments under the exceptions process. The model, which projects capital expenditures for 6,000 hypothetical hospitals by hospital and year since 1941, includes the following assumptions:

- Aggregate capital expenditures are equal to historical Medicare inpatient capital cost levels for periods for which actual data are available (fiscal year 1984—fiscal year 1989) and to the reasonable cost levels that were used to project capital payments in the Medicare budget for subsequent periods.

- The proportions of inpatient capital-related costs that are attributable to fixed and moveable equipment and to the major components of capital costs (interest, depreciation, and other) are based on historical proportions.

- Fixed and moveable assets are modeled separately. The average useful life is 7 years for moveable equipment and 25 years for fixed equipment.

- On average, 62.5 percent of capital is financed at an interest rate of 8.0 percent. Interest expense is amortized over 18 years for fixed capital and 5 years for moveable equipment.

- The total amount of new capital costs in a given year is determined as the difference between total capital costs and the costs for old capital. New capital costs are randomly assigned to hospitals each year because we observed in the cost report data irregular capital growth patterns. For individual hospitals, we observed a general pattern of small increases in capital costs in most years and random large increases in a few years.

Combining these assumptions with the specific transition payment policies, we used this actuarial model to estimate the basic payments that will be made under the fully prospective payment methodology and under the hold-harmless payment methodology; to project the amount of payments that will be made under the exceptions policy; and to determine the budget neutrality adjustment factor. The model and its



application are more fully described in appendix A. Specific comments that were received on the model are also discussed in appendix A.

In the proposed rule, we indicated that if we determine a positive budget neutrality adjustment in payments is needed to achieve the appropriate aggregate payment level, we would apply a percentage increase to the Federal rate and the hospital-specific rate, but we would not make a positive adjustment to the hold-harmless payment. To the extent payments needed to be reduced to assure budget neutrality, we proposed to apply the negative adjustment to the Federal rate, the hospital-specific rate, and the hold-harmless payment.

Based on the policies in the proposed rule, we estimated that a positive adjustment would be required to achieve aggregate payments equal to 90 percent of the amount that would have been payable on a reasonable cost basis. Accordingly, we proposed to increase the Federal rate and the hospital-specific rate by 1.1088 in fiscal year 1992.

We noted that the budget neutrality adjustment factors would be determined each year independently of the adjustment made in prior years; that is, the budget neutrality adjustments would not be built permanently into the rates. The Federal rate and hospital-specific rate to which the budget neutrality adjustment would be applied in a given year would not incorporate prior budget neutrality adjustments. In the case of the hold-harmless amount, the payment in any year would be based on 90 percent of reasonable costs unless a negative adjustment were required in that year (regardless of whether negative budget neutrality adjustments were required in prior years).

Since the budget neutrality provision is applicable only for the first four years of the capital prospective payment system, we believe that it is more appropriate to remove the effect of prior year budget neutrality adjustments from the prospective rates before determining the current year adjustment than to build the budget neutrality adjustments permanently into the prospective rates. Through fiscal year 1995, the choice between the one year application and a permanent application of the budget neutrality adjustment has no aggregate impact on program payments.

*Comment:* Several commenters stated that budget neutrality factors greater than 1.0, as well as budget neutrality factors less than 1.0, should be applied to hold-harmless payments.

*Response:* We disagree with the commenters. We are providing that the hold-harmless payments will equal 85

percent of reasonable capital-related costs for old capital. We do not believe that any increase in payments for old capital beyond what would have been payable on a reasonable cost basis is appropriate because old capital spending occurred when hospitals had no incentive to control their capital costs. Rather, if the budget neutrality factor is above 1.0, we believe that it is more appropriate to increase prospective payments only. As discussed above in IV.B. Step 6, we have reduced the hold-harmless payment to 85 percent of allowable old capital costs. So that hospitals will receive no less for their old capital costs than they received on a reasonable cost basis, we are providing that no budget neutrality adjustment will be applied to the hold-harmless payment.

*Comment:* Two commenters urged that there should be only one budget neutrality factor for both capital and operating prospective payments, while other commenters supported the capital budget neutrality factor being applied separately. One other commenter supported a separate capital budget neutrality factor to cover payments as defined in the proposed rule, but a combined factor for any changes in hold-harmless payments and exceptions payments. A few commenters urged that we set payments under the capital prospective payment system to be budget neutral to 100 percent of estimated capital costs throughout the transition.

*Response:* Section 4001(b) of Public Law 101-508 amended section 1886(g)(1)(A) of the Act to require that aggregate payments made in each year in fiscal year 1992 through fiscal year 1995 for inpatient hospital services be reduced in a manner that results in savings equal to 10 percent of the amount that would have been payable on a reasonable cost basis for capital related costs in that year. Although the statute provides the flexibility to achieve the savings through the design of the capital prospective payment system or through the prospective payment system for operating costs, or both, we believe that it would be inappropriate to lower operating prospective payments to achieve the required payment target. The operating prospective payment system has provided incentives to hospitals to control their operating costs for some time, while the cost-based payments for capital costs have not provided the same incentives. We believe that the prospective payment system for inpatient capital-related costs ought to generate the required savings, and that operating payments should not be reduced to achieve these savings.

*Comment:* Two commenters urged that the budget neutrality factor not be allowed to fall below 1.0.

*Response:* The budget neutrality factor is used to ensure that we achieve the savings required by section 1886(g)(1)(A) of the Act, as amended by section 4001(b) of Public Law 101-508. If we determine that payments in the absence of the budget neutrality factor would be greater than 90 percent of the estimated payments that would have been made on a reasonable cost basis, we must reduce these payments or operating payments to achieve the required savings. We cannot require that this factor always be greater than 1.0.

The actual budget neutrality factor is determined by the various payment policies established under the capital prospective payment system. For example, we could increase the budget neutrality factor by reducing payments for old capital. We believe that the combination of payment policies that we have established are appropriate and that further modifications simply to establish a budget neutrality factor that would be greater than 1.0 would not be proper.

Based on the significant policy changes we are adopting in this final rule and revisions in the actuarial model due to methodological refinements and the availability of more recent data, the budget neutrality factor for fiscal year 1992 has decreased from 1.1088 in the proposed rule to .9602 in the final rule. Given this substantial change, we are providing below a step-down analysis of the effects of the various changes on the budget neutrality adjustment. Since these changes also affect the exceptions reduction factor, we are presenting the effect on a combined budget neutrality/exceptions reduction factor (determined as the product of the two factors). In the step down analysis, the incremental effect of each change is shown in relation to the preceding changes in the table. For example, the revised and updated actuarial model and the new payment adjustments to the Federal rate has the effect of reducing the combined factor in the proposed rule by 1.0 percent. After making these revisions, the expanded definition of old capital costs reduces the combined factor another 0.3 percent. After making all other changes, the effect of eliminating the budget neutrality adjustment on the hold-harmless payment is to reduce the combined reduction factor applicable to the Federal and hospital-specific rate by 1.9 percent. The cumulative change is an 8.7 percent reduction in the combined factor.

## STEPDOWN OF CHANGES IN BUDGET NEUTRALITY &amp; EXCEPTIONS ADJUSTMENT FACTORS

	Budget neutrality	Exceptions	Combined	Net change (%)	Cumulative change (%)
NPRM (Feb. 28, 1991).....	1.1088	0.9308	1.0321		
Revised and Updated Model and Revised Payment Adjustments.....			1.0212	-1.0	-1.0
Expanded Definition of Old Capital Costs.....			1.0177	-0.3	-1.4
Remove National Limit on New Capital Ratio.....			1.0079	-1.0	-2.3
Recognize Obligated Capital as Old Capital Costs.....			0.9463	-6.1	-8.3
Redetermine Hospital-Specific Rate (replaces special rule).....			0.9430	-0.4	-8.6
Pay Hold Harmless at 85% Cost.....			0.9694	2.8	-6.1
Pay Sole Community Hold Harmless at 100% Cost.....			0.9655	-0.4	-6.5
Revise Exceptions Policy.....			0.9603	-0.5	-7.0
Remove Budget Neutrality on Hold Harmless.....	0.9602	0.9813	0.9422	-1.9	-8.7

*Comment:* Commenters are concerned that the budget neutrality factor provides for arbitrary manipulation of payment rates. Another commenter asked why we stated that inpatient capital-related costs for hospitals paid under the prospective payment system should provide for savings of at least 10 percent compared to reasonable cost, when the requirement is that we save exactly 10 percent.

*Response:* The budget neutrality factor does not allow for arbitrary manipulation of the rates, but rather ensures that payments under the capital prospective payment system achieve the savings required by statute. Using the best available data and our actuarial model, we have established the budget neutrality adjustment at the level which should result in payments equal to 90 percent of what would be payable on a reasonable cost basis. Our statement that inpatient capital-related costs for hospitals paid under the prospective payment system should provide for savings of at least 10 percent of costs reflected our belief that some current capital spending is unnecessary and will be curtailed under the capital prospective payment system. If this is the case, the amount of capital-related payments that would be payable on a reasonable cost basis would decline, and so would our target spending level for the capital prospective payment system.

*Comment:* We received many comments stating that our budget neutrality adjustment is too high and are concerned that it might be lowered significantly in the future. Other commenters claim that the fundamental rate structure is too low and that this requires that the budget neutrality adjustment be so high, but that payments after 1995 would be excessively low. Other commenters performed their own analyses and estimated that aggregate capital

payments would exceed 90 percent of fiscal year 1992 Medicare inpatient capital costs. Another commenter reasoned that since high capital cost hospitals were assumed to have large capital acquisitions that would be partially reimbursed, and that low capital cost hospitals would continue to have capital costs below the Federal rate, projected spending would be less than the national average and budget neutrality would necessarily be larger than 1.0.

*Response:* The budget neutrality factors are dependent on our projections of capital spending and the policies that we are adopting in this final rule. As shown above in response to an earlier comment, the major cause for the reduction in the budget neutrality factor in this final rule is the decision to recognize obligated capital. This decision was strongly supported by the commenters in the proposed rule. Commenters that made their own analyses of capital costs did not use the techniques that we used to project new capital acquisitions. Some of their analyses assumed uniform rates of capital increases for all hospitals, which clearly would lead to different, and inaccurate, results.

*Comment:* One commenter urged that we publish budget neutrality factors through fiscal year 1995.

*Response:* We are publishing in appendix A the budget neutrality adjustment factors that we are projecting through fiscal year 1995. These factors are subject to change based on more recent data and refinements in the actuarial projections in the future.

*Comment:* Several commenters asked what we propose to do if actual capital payments are greater than 90 percent of Medicare inpatient capital-related costs for hospitals paid under the capital prospective payment system through fiscal year 1995.

*Response:* Section 4001(b) of Public Law 101-508 modifies section 1886(g)(1)(A) of the Act to state that aggregate payments for inpatient hospital services be reduced in a manner that results "in a reduction (as estimated by the Secretary) in the amount of such payments equal to a 10-percent reduction in the amount of payments attributable to capital-related costs that would otherwise have been made" on a reasonable cost basis. The Conference Committee report accompanying Public Law 101-508 indicates that prior to the fiscal year the Secretary shall estimate the budget neutrality adjustment based on the best available data. (H.R. Conf. Rep. No. 964, 101st Cong., 2d Sess. 691 (1990)). No retroactive adjustment will be made if aggregate payments in the fiscal year are greater than or less than 90 percent of actual Medicare inpatient capital-related costs for that year. It will be fiscal year 1996 before fiscal year 1992 cost reports are settled and actual fiscal year 1992 capital-related costs are known with certainty; however, we will be monitoring costs and payments on an on-going basis. Although we will not make any retroactive adjustments to the budget neutrality adjustment, we will use the information obtained through our monitoring efforts to refine the budget neutrality adjustment for subsequent years.

*Comment:* Several commenters requested clarification regarding the budget neutrality requirement after fiscal year 1995. Others stated their belief that we are required by law to be budget neutral to 100 percent of estimated capital costs after fiscal year 1995.

*Response:* As amended by section 4001(b) of Public Law 101-508, revised section 1886(g)(1)(A) of the Act provides: Aggregate payments made under subsection (d) and this subsection [subsection (g)] during

fiscal years 1992 through 1995 shall be reduced in a manner that results in a reduction (as estimated by the Secretary) in the amount of such payments equal to a 10 percent reduction in the amount of payments attributable to capital-related costs that would otherwise have been made during such fiscal year had the amount of such payments been based on reasonable costs (as defined in section 1861(v))."

The statute thus requires that, during each of the first four years of the capital prospective payment system, aggregate payments under both that system and the prospective payment system for operating costs be reduced by an amount equivalent to 10 percent of the amount that would have been paid that year on a reasonable cost basis for capital-related costs. We are implementing this requirement by adjusting aggregate payments for inpatient capital-related costs during each of the four years to a target payment level equivalent to 90 percent of the amount that would have been paid that year on a reasonable cost basis for capital-related costs. Prior to October 1, 1991 capital-related costs are paid on a reasonable cost basis under section 1861(v) and are subject to a 15 percent payment reduction under section 1886(g)(3)(A)(v) of the Act.

Clearly, there is nothing in section 1886(g) of the Act that requires extending the aggregate payment adjustment beyond the expiration date established by the statute. There is no statutory language indicating that aggregate payments are to meet any prescribed target level in the fiscal years following 1995 nor does the Conference Committee report provide an indication of such intent (H.R. Rep. No. 964, 101st Cong., 2d Sess. 690-91 (1990)). If Congress had intended that payments be adjusted to equal 100 percent of reasonable costs after fiscal year 1995, we would expect an affirmative expression of that intent both in the statute and in report language. Whenever Congress has desired budget neutrality under the prospective payment system for operating costs, it has explicitly provided for such an adjustment in the statute. See sections 1886(e)(1)(B) and (C) (transition to the prospective payment system from reasonable cost), 1886(e)(1)(C) (inclusion of Puerto Rico hospitals in capital prospective payment system), 1886(d)(3)(E) (updates or adjustments to the wage index), 1886(d)(4)(C)(iii) (DRG reclassifications and recalibration), 1886(d)(8)(D) (hospital geographic reclassifications), 1886(g)(3)(C)(ii) (repealed) (transition to a prospective payment system for capital costs). The absence of an express provision for

budget neutrality after fiscal year 1995 is thus a strong indication that there is no such requirement.

In addition, we see no basis for inferring Congressional intent to impose a budget neutrality requirement after fiscal year 1995. The statute requires that aggregate payments under subsections (d) and (g) be "reduced" during fiscal years 1992 through 1995 by 10 percent of what would have been paid based on reasonable cost for capital-related costs. The clear implication is that aggregate payments are no longer to be reduced by an adjustment factor after that requirement expires, not that payments should be adjusted to some other target payment amount based on reasonable costs.

Moreover, it is beyond question that a budget neutrality adjustment established at 100 percent of a target should not continue after the expiration of the statutory authority. For example, section 1886(e)(1)(B) of the Act required that aggregate payments under the prospective payment system for operating costs for fiscal years 1984 and 1985 equal what would have been paid under the reasonable cost provisions of prior law. We doubt anyone would seriously argue that this budget neutrality adjustment should have continued into subsequent years. Similarly, at one time, section 1886(g)(3)(C)(ii) provided that total payments during fiscal years 1988 and 1989 under the prospective payment system for capital-related costs were to equal what would have been paid in fiscal year 1988 based on reasonable cost as reduced by a percentage specified in section 1886(g)(3)(A) of the Act. This approach of constraining aggregate payments to a percentage of projected reasonable cost payments is similar to the current budget neutrality approach described in section 1886(g)(1)(A) of the Act. Yet, there is no disputing that budget neutrality would not have continued after this authority expired. We do not see how the expiration of a budget neutrality adjustment set at a percentage less than 100 percent of reasonable cost is materially different from the expiration of an adjustment set at 100 percent.

We believe the current statute provides for a time-limited adjustment. At the end of the period for which budget neutrality is required, payment for capital-related costs would simply be determined without regard to any target for aggregate payments. That is, the Federal standard rate and the hospital-specific rate would be adjusted by the update factor and other adjustment factors that would apply under the prescribed payment

methodology, but there would no longer be a budget neutrality adjustment to adjust aggregate payments by a factor related to reasonable cost. We believe this is the result intended by the statute.

#### F. Payments to New Hospitals

For purposes of the capital prospective payment system, in the proposed rule, we defined a new hospital as one which is newly participating in the Medicare program (under previous and present ownership) that does not have a 12-month cost reporting period ending on or before September 30, 1990. We proposed that new hospitals would be paid on a fully prospective payment basis during the transition period. For purposes of determining the hospital-specific rate, the hospital's base period would be its first 12-month cost reporting period (or combination of cost reporting periods covering at least 12 months).

After the base period, we proposed that a new hospital would be paid the appropriate blend of its hospital-specific rate and the Federal rate, regardless of whether its hospital-specific rate is above or below the Federal rate. During the transition period, new hospitals will have the exceptions process available to them if their capital costs exceed their payment rate.

*Comment:* Several commenters opposed our proposal to pay new hospitals under the fully prospective methodology. They expressed concern that such payment levels may not be adequate for hospitals that are built late in the transition period. Also, the hospital's first year costs per case may not be sufficiently representative to establish an appropriate hospital-specific rate.

*Response:* We agree with the concerns expressed by the commenters and provide in the final rule to exempt new hospitals from the capital prospective payment system for the first 2 years of operation and pay them 85 percent of their reasonable cost during that period. The base year costs would qualify as old capital. Effective with the third year of operation, we will pay the hospital under either the fully prospective methodology, using the appropriate transition blend in that Federal fiscal year, or the hold-harmless methodology. If the hold harmless methodology is applicable, the hold-harmless payment for assets in use during the base period would extend for 8 years, even though the hold-harmless payments may extend beyond the normal transition period.

**G. Total Capital Payment**

Under the policies we are establishing in this final rule, the adjusted Federal rate for a hospital is determined as follows:

(Standard Federal Rate) × (DRG weight) × (Geographic Adjustment Factor) × (Large Urban Add-On, if applicable) × (for hospitals located in Alaska and Hawaii, COLA adjustment) × (1 + Disproportionate Share Adjustment Factor + Indirect Medical Education Adjustment Factor).

The total capital payment to a hospital for a cost reporting period is the total of the following components by payment methodology:

**Hold-Harmless Payment Methodology**

A hospital paid under the hold-harmless payment provision would be paid the higher of:

1. The adjusted Federal rate plus applicable outlier payments for each discharge; or
2. (The adjusted Federal Rate plus applicable outlier payments) × (the hospital's ratio of new capital Medicare inpatient cost to total Medicare inpatient capital cost) for each discharge; plus (Applicable Fiscal Year's Remaining Old Capital Costs × 85 percent) × (Budget Neutrality Adjustment Factor, if applicable).

3. In addition, the hospital would receive any exception payments applicable to the payment alternative.

**Fully Prospective Payment Methodology**

Under the fully prospective payment methodology, a hospital would receive: (Hospital-Specific Rate × DRG Weight × Hospital-Specific Blend Percentage) for each discharge; plus (Adjusted Federal rate plus applicable outlier payments × Federal Transition Blend Percentage) for each discharge; plus Any Applicable Exception Payments.

**H. Payment Determinations During the Transition Period**

We are providing examples of the payment determination for two hypothetical hospitals below using illustrative FY 1992 data (except for rates, updates and reduction factors published in this document) in order to demonstrate the payment determinations that would be required under this final rule.

The examples assume audited FY 1992 cost report data that would be used for fiscal intermediaries to make a final determination on the applicable payment methodology. However, the same process would be used to make the interim determination, using

estimates of FY 1991 and FY 1992 cost report data (for example, projected new capital amounts and old capital costs) as described in B., Step 6d, above.

**Payment Methodology Determination Examples**

Example 1: Hospital A is located in San Jose, California, a large urban area. It has a disproportionate patient percentage of 25 percent and a ratio of residents to average daily census of 0.1456 in FY 1992.

Base Year cost reporting period ending 10/31/90:	
Medicare discharges .....	1563
Transfer adjustment to discharges .....	.9921
Transfer-adjusted discharges = 0.9921 × 1563 = ...	1550.7
Medicare case mix, adjusted for transfers .....	1.4331
Total Medicare inpatient capital costs .....	\$2,457,024
FY 1992 cost reporting period ending 10/31/92:	
Estimated Medicare discharges .....	1,700
Estimated Medicare case mix .....	1.5102
Estimated total Medicare inpatient capital costs .....	\$2,850,000
Estimated Medicare inpatient old capital costs .....	\$2,283,000
Estimated Medicare inpatient new capital costs .....	\$567,000
Payment adjustment data:	
Geographic adjustment factor for San Jose, California (Table 2a) .....	1.2995
Large urban add-on .....	1.03
Disproportionate share (DSH) adjustment factor ....	.0519
Indirect medical education (IME) adjustment factor ....	.0419
Rate adjustment factors:	
Update factor for cost reporting period ending 10/31/90 .....	1.15719
Exception reduction factor for FY 1992 .....	.9813
Budget neutrality factor for FY 1992 .....	.9602
Outlier adjustment factor for FY 1992 .....	.9497
a. Hospital-specific rate calculation:	
Allowable cost per transfer-adjusted discharge in base period \$2,457,024/(1550.7) .....	\$1,584.46
Adjusted for CMI \$1,584.46/1.4331 .....	\$1,105.62
Updated to FY 1992 \$1,105.62 × 1.15719 .....	\$1,279.41
Adjusted for exceptions reduction factor \$1,279.41 × .9813 .....	\$1,255.49
Adjusted for FY 1992 budget neutrality factor \$1,255.49 × .9602 .....	\$1,205.52
Hospital A's hospital-specific rate for FY 1992 .....	\$1,205.52

**b. Adjusted Federal capital rate comparison calculation:**

FY 1992 capital rate (Table 1) .....	\$415.59
Adjustment to remove outlier reduction factor \$415.59/.9497 .....	\$437.60
Adjustments for geographic location, large urban location, disproportionate share, and indirect teaching \$437.60 × 1.2995 × 1.03 × (1 + .0519 + .0419) .....	
Adjusted Federal capital rate .....	\$640.66

Note: The outlier reduction factor is included in the Federal rate but not in the hospital-specific rate, so it must be removed from the Federal rate before the comparison is made. The exceptions reduction factor and budget neutrality factors are already included in the Federal rate, and therefore do not need to be removed.

Since Hospital A's hospital-specific rate is above its adjusted Federal rate, Hospital A would be paid under the hold-harmless methodology throughout the transition.

**c. Comparison of Payments under Federal Rate and Hold-Harmless provisions:****i. Payment under 100 percent of the Federal rate:**

FY 1992 adjusted Federal capital rate (from calculation b, above × 0.9497) .....	\$608.43
FY 1993 adjusted Federal capital rate .....	* \$630.02
Portion of first transition year that occurs during FY 1992 .....	11/12
Portion of first transition year that occurs during FY 1993 .....	1/12
FY 1992 outlier payment percentage .....	0.1093
FY 1993 outlier payment percentage .....	0.1021
FY 1992 Federal rate, adjusted for outlier payments .....	\$674.93
FY 1993 Federal rate, adjusted for outlier payments .....	\$694.35
First transition year blended Federal rate (\$674.93 × 11/12 + \$694.35 × 1/12) .....	\$676.55
First transition year case mix (from part a) .....	1.5102
First transition year payment based on 100% of the Federal rate \$676.55 × 1.5102 .....	\$1,021.73

ii. Payment including hold-harmless payments:

New capital portion of hold-harmless methodology:	
Ratio of new capital to total capital:	
\$567,000/\$2,850,000.....	0.1989
New capital payment: ratio of new capital to total capital $\times$ first transition year payment based on 100 percent of the Federal rate $0.1989 \times 1021.73$ .....	203.22
Old capital portion of hold-harmless methodology:	
Old capital discount factor....	0.85
First transition year Medicare discharges (from part a) .....	1,700
First transition year Medicare inpatient-related old capital costs (from part a),	\$2,283,000
Old capital payment portion of hold harmless payment methodology ( $\$2,283,000 \times .85 \times \div 1,700$ ) .....	\$1,141.50
Total payment under hold-harmless payment methodology, including old capital payments ( $\$203.22 + \$1,141.50$ ) .....	\$1,344.72

\* Based on current estimate for FY 1993 rate.

Since Hospital A would receive a higher payment in its first transition year if there were a hold-harmless payment for old capital than if payment were based on 100 percent of the Federal rate,

Hospital A would be paid under the hold-harmless methodology for its first transition year (its cost reporting period from November 1, 1991 through October 31, 1992).

## 2. Exception Payment Process

For portions of cost reporting periods beginning in FY 1992, any hospital receiving capital prospective payments would be eligible for an exception payment if the total capital payments it receives are less than a minimum percentage of its allowable Medicare inpatient capital costs. The minimum payment levels are as follows:

- Sole community hospitals, 90 percent;
- Urban hospitals with 100 or more beds (or rural hospitals with 500 or more beds) that have a disproportionate share patient percentage of 20.2 percent or more, 80 percent; and,
- All other hospitals, 70 percent.

The exceptions payment will equal the difference between the capital payments and the minimum payment floor. After FY 1992, the exception payment would be determined based on a comparison of cumulative payments and costs under the capital prospective payment system. The determination of whether the exception criteria are met by a hospital and the amount of the exception payment would be made by the Medicare intermediary. These additional capital payments would be

determined and adjusted retroactively for each cost reporting period during the transition based on each hospital's actual allowable inpatient capital costs as determined in its Notice of Amount of Program Reimbursement under cost reimbursement principles pursuant to section 1861(v) of the Act and implementing regulations.

The following examples indicate the process that would result from application of the exception rules for FY 1992 hospital cost reporting periods.

*Example 1:* Hospital A is a 200-bed, urban facility paid for inpatient capital on the basis of the hold-harmless method with no DSH adjustment. Based on settlement of its FY 1992 cost report the hospital had total allowable Medicare inpatient capital costs of \$1,440,000 and received capital prospective payments totalling \$840,000. Since the payments were less than 70 percent of the hospital's costs ( $\$1,440,000 \times .7 = \$1,008,000$ ), the hospital qualifies for an exception. The amount of the exception equals \$168,000 ( $\$1,008,000 - \$840,000 = \$168,000$ ).

*Example 2:* Hospital B is identical to Hospital A in situation and costs except that it has a DSH percentage of 32 percent. The minimum payment level for Hospital B is \$1,152,000 ( $\$1,440,000 \times .8 = \$1,152,000$ ). Hospital B qualifies for an exception payment equal to \$312,000 ( $\$1,152,000 \times \$840,000 = \$312,000$ ).

	Costs incurred during cost reporting period	Minimum payment level <sup>1</sup>	Total capital prospective payments received during cost reporting period	Excess payments over minimum payment level
Year 1 .....	\$1,440,000	\$1,152,000	\$1,152,000	
Year 2 .....	1,200,000	960,000	1,200,000	\$240,000
Year 3 .....	1,000,000	800,000	1,300,000	500,000
Year 4 .....	3,000,000	2,400,000	1,400,000	
Total .....	6,640,000	5,312,000	5,052,000	740,000

<sup>1</sup> Assuming level remains at 80 percent.

In Year 4, Hospital B has a major capital expenditure. The capital payments for Year 4 prior to exceptions are less than 80 percent of costs ( $\$3,000,000 \times .8 = \$2,400,000$ ). However, in some years payments have exceeded the minimum payment levels and the exceptions payment is determined on a cumulative basis. Total payments have also been less than 80 percent of costs ( $\$6,640,000 \times .80 = \$5,312,000$ ). The hospital qualifies for an exception equal to \$260,000 ( $\$2,400,000 - \$1,400,000 - \$740,000 = \$260,000$ ).

## V. Funding of Depreciation

In the June 3, 1991 proposed FY 1992 update of the prospective payment system for operating costs (56 FR 25178), we set forth our policy concerning the funding of depreciation. We stated that under section 1861(v)(1)(A) of the Act, Congress has given the Secretary broad latitude to prescribe regulations concerning Medicare payment to providers on a reasonable cost basis. Under the authority of this and other provisions of the Act, we have adopted the regulation that is now codified at § 413.134(e). Section 413.134(e) provides

that, although we do not require the funding of depreciation, we strongly recommend it as a means to conserve funds for the replacement of depreciable assets. To encourage the funding of depreciation, we have specified at §§ 413.134(e) and 413.153 that investment income earned on funded depreciation will not be used to reduce allowable interest expense. However, we have also been aware that some providers may be reluctant, at times, to spend funded depreciation for capital purposes, preferring to borrow money for capital purposes and incur interest expense, even when funded

depreciation is available. HCFA has long taken the position that such a borrowing would be unnecessary to the extent of available funded depreciation and would be contrary to the requirements of § 413.153.

Historically, in determining whether funded depreciation funds were available, HCFA generally required that funded depreciation funds that were not "expended" would be considered available. However, on occasion, HCFA recognized borrowing for a capital purpose to be necessary despite the presence of unexpended funded depreciation when certain factors were present. In an effort to clarify the policy regarding when funded depreciation funds would be considered available, in January 1983, HCFA published §§ 226.C and 226.4.C of the Provider Reimbursement Manual (HCFA Pub. 15-1). These sections provided that funded depreciation funds would be considered available unless the funds have been committed to a capital project by contract. This requirement of "contractual commitment" relaxed the more strict "expended" policy, which HCFA had applied consistently.

As noted in the preamble to our June 3, 1991 proposal, on March 1, 1991, the United States District Court for the District of Delaware decided, in *St. Francis Hospital, Inc. v. Sullivan* ("St. Francis"), No. 89-291-JJF (D.Del. March 1, 1991), that we erred procedurally by not adopting the "contractually committed" standard through notice and comment rulemaking under the Administrative Procedure Act. We stated at that time that we did not agree with this decision, but that we wanted to remove any doubt about the applicability of the "contractually committed" standard by adopting the standard through notice and comment rulemaking.

In a nearly identical case decided on May 24, 1991, the United States District Court for the District of Columbia agreed with our position, holding that the "contractually committed" standard was an interpretative rule, for which notice and comment rulemaking was not required. *Sentara Hampton General Hospital v. Sullivan* ("Hampton"), Civil Action No. 89-1248 (D.D.C. May 24, 1991). Although this decision was favorable, we are going forward with issuing a final rule concerning the "contractually committed" standard to assure that there is no confusion about HCFA's application of this standard. As we also stated in the preamble to our June 3, 1991 proposal, the court in *St. Francis* also addressed the issue of spenddown; this issue was also

addressed by the Court in *Hampton*. Spenddown is a process whereby we permit providers to "cure" borrowing that was found to be unnecessary because of available funded depreciation by using those funded depreciation funds for a proper purpose. This is not required by law but was adopted by HCFA as a matter of policy. Under spenddown, as applied by HCFA, if additional deposits are made to funded depreciation after the unnecessary borrowing determination, withdrawals from the funded depreciation subsequent to a determination of unnecessary borrowing are made on a last-in, first-out basis (typically, withdrawals for a proper purpose are made on a first-in, first-out basis). The result of this policy is that all additional deposits to funded depreciation must be used before spending can be allotted to the "tainted funds", that is, the portion of the funded depreciation that resulted in the unnecessary borrowing. In addition, Medicare's policy has been that any other funded depreciation funds in the account at the time of the unnecessary borrowing must be used before the "tainted" funds can be spent down or cured. The spenddown policy has been applied consistently in implementing the Medicare program. In addressing the spenddown issue, the Court in *St. Francis* noted that the general rule is that withdrawals from funded depreciation accounts which are made for a proper purpose are made on a first-in, first-out basis. The Court then required HCFA to permit St. Francis Hospital to cure its unnecessary borrowing by spending funded depreciation account funds that are used for the acquisition of depreciable assets on a first-in, first-out basis, rather than on the last-in, first-out basis, as consistently applied by HCFA. The Court in *Hampton* declined to alter HCFA's spenddown rule.

Because some confusion may exist as a result of these cases, we are to revising § 413.134 to codify HCFA's spenddown principle in regulation. By adopting explicit language in the regulations text detailing the proper order for withdrawing funds from funded depreciation subsequent to a determination of unnecessary borrowing, we would clarify for providers how they can properly effect a spenddown of funded depreciation to cure funds that have been "tainted" by an unnecessary borrowing. This provision is also intended to prevent hospitals with available cash from curing unnecessary borrowing through financial manipulation. We do not

anticipate that this provision will have a major effect, because it has been our experience that most providers and fiscal intermediaries already understand and comply with the policy expressed in this provision.

We are also codifying our long-standing policy that withdrawals from funded depreciation that do not meet the requirements for proper withdrawals are considered improper withdrawals. Improper withdrawals would be deemed to be made on a last-in, first-out basis. Finally, we are cross-referencing our revisions to § 413.134(e) in § 413.153(a)(2)(iii).

*Comment:* One commenter recommended an extension of the comment period for the proposals affecting the funded depreciation policy because that commenter asserted that it will not be able to assess the impact that the proposed changes may have on its facility until the regulations governing capital payments under the inpatient hospital prospective payment system are issued in final.

*Response:* As we stated above and in the preamble to the proposed rule, the substance of the provision relating to funded depreciation has been HCFA policy for many years and our experience has been that most providers and fiscal intermediaries already understand and comply with the proposed provisions. Therefore, we do not believe that the interests of the provider and fiscal intermediary communities as a whole would be served by extending the comment period for the proposed rules.

*Comment:* Four commenters objected to the "contractually committed" standard as expressed in proposed § 413.134(e)(2). These commenters stated that, if the purpose of funded depreciation is to encourage providers to conserve funds for asset replacement, the contractually committed standard defeats this purpose. Two of the commenters recommended that we adopt a more relaxed standard. These two commenters also asserted that our proposed standard establishes a stricter position regarding unnecessary borrowing and funded depreciation, and is particularly punitive to hospitals because it is to be applied at a time when the inpatient capital-related costs of hospitals will be brought under the prospective payment system. One of those two commenters recommended that we use the same criteria for determining whether funded depreciation is available that we use to determine "obligated capital" under the regulation that establishes capital payments under the inpatient hospital



prospective payment system. The third commenter recommended that the availability standard be relaxed to allow internal commitment through planning documents (that is, feasibility studies, engineering and architectural plans, building permits or Certificate of Need filings) or by a significant cash outlay (i.e., \$750,000 or more) towards a formal capital plan. This commenter made clear that they are not advocating mere self-restriction. This same commenter observed that the proposed rule does not clearly define the term "committed by contract," and recommended that we broadly define "committed by contract" to include any contract for services or goods which evidences a provider's commitment to a patient-care-related capital acquisition or replacement plan. The fourth commenter recommended that we permit self-restricting of funded depreciation through the provider's board of directors approved capital budget.

**Response:** The rules that exclude investment income earned on funded depreciation from offset against allowable interest expense, were adopted to encourage providers to conserve funds so that they would be used for replacement of capital assets. By adopting this rule, however, HCFA expected the conserved funds to be used *in lieu of borrowing*. It would be inconsistent with our policy to permit providers to hold uncommitted funded depreciation for an indefinite period of time and concurrently allow the Medicare program to share in the payment of interest expense incurred on capital debt. Moreover, we do not agree that we are adopting a more stringent standard regarding available funded depreciation in these proposed rules. Rather, as we indicated above and in the preamble to the proposed regulations and as the District Court noted in *Hampton*, the standard set forth in these regulations is the same standard that we expressed in the January 1983 revision to the Provider Reimbursement Manual. As we further stated, we are codifying this standard to remove any doubt as to its applicability that may have resulted from the decision of the United States District Court for the District of Delaware in *St. Francis*. (In this regard, we should point out that, contrary to one commenter's conclusion, we did not acknowledge that we committed a procedural error in promulgating the January 1983 revision to the Provider Reimbursement Manual. In fact, above and in the preamble to the proposed rule, we stated that we do not agree with the *St. Francis* decision.

However, to avoid confusion, we are placing the contractually committed standard in the regulations.)

With regard to allowing a provider to establish a commitment through planning documents or through a significant outlay of cash toward a formal capital plan, we do not believe that the availability standard should be relaxed to that extent. Our intention is to prevent situations from occurring in which funded depreciation commitments result from planning activities that may never come to fruition and, thus, justifying a borrowing which later events disclose that never should have been allowed. We believe that our policy can be best fulfilled by requiring a commitment beyond the planning stage. Therefore, the commitment must be evidenced by a definite, valid, binding, irrevocable contract to construct or acquire a capital-related asset to be used in rendering patient care.

**Comment:** One commenter pointed out that the portion of the proposed rule that requires that withdrawals from funded depreciation be made on a last-in, first-out basis in the situation where an unnecessary borrowing exists (the so-called spenddown provision) does not reflect the *St. Francis* decision. In *St. Francis*, the court held that the "first-in, first-out" rule must be applied in determining whether a provider has cured an unnecessary borrowing through the subsequent spenddown of funded depreciation. The commenter believed that the proposed provision would inappropriately implement a broad-based rule to attempt to block a few extreme cases of financial manipulation, while disregarding the interests of the vast majority of providers. Moreover, the commenter believed that, notwithstanding the proposed provision, providers will continue to prevail in future litigation on this issue because courts will follow the precedent established by the *St. Francis* decision. Finally, the commenter disputed our contention that the proposed provision will not have a major impact because most providers and fiscal intermediaries understand and comply with the policy expressed in the proposed provision. The commenter pointed to the *St. Francis* case and the Provider Reimbursement Review Board (PRRB) case that preceded it as evidence of their dispute. The commenter recommended that we revise the proposed rule to reflect the decision of the court in *St. Francis*.

**Response:** With regard to the commenter's contention that the proposed spenddown rule is overly

broad, we disagree. At the outset we note that we believe, and the Court in *Hampton* agreed, that we are not required to adopt a spenddown rule. However, as a matter of policy, we are willing to permit providers to cure an unnecessary borrowing by spending all available funded depreciation account funds and the spending of tainted funds. This policy, we believe, will benefit providers by giving them the opportunity to cure unnecessary borrowing. With regard to the commenter's contention that courts will be bound in the future to follow the ruling in *St. Francis*, notwithstanding our proposed rule, we do not agree. As we stated above, the Court in *Hampton* reached a contrary result in a nearly identical case. We would, therefore, expect to continue to enjoy success in litigating this issue. However, we are codifying this provision to eliminate any possible confusion in the provider community. With regard to the commenter's contention that the adverse holdings by the PRRB and the court in the *St. Francis* case is evidence that the spenddown rule is not understood and applied correctly by most providers, we do not agree. To the contrary, we believe that the dearth of litigation involving this issue is evidence that most providers and fiscal intermediaries understand the spenddown principle and are applying the principle correctly. Therefore, we continue to believe that this proposed provision will not have a major effect on providers. For the foregoing reasons, we do not agree with the commenter's recommendation that we revise the rule to reflect the decision of the court in the *St. Francis* case.

**Comment:** One commenter recommended that the payment implications of borrowing when funded depreciation is available, but not used, be thoroughly described in the final rule. This commenter also stated that the portion of the proposed rules that discusses withdrawals from funded depreciation, § 413.134(e)(3), does not adequately describe how the withdrawal rules affect the determination of an unnecessary borrowing. The commenter recommended that we include an example in the preamble of the final rule to clarify our intent. The commenter further stated that, while an example would enhance understanding of the policy, an alternative policy would be more easily understood. The alternative policy suggested by the commenter would require that the funded depreciation that should have been, but was not, be placed in a separate account. The Medicare program would



deem the amount of funded depreciation in the new account to have been used. The new account would represent the investment of unallowable borrowing, and the Medicare program would neither allow the interest expense on the unallowable borrowing, nor require offset of the investment income earned by the new account. Because these funds are in a separate account, their subsequent use will be readily identifiable. In the future, available funded depreciation would have to be used before the borrowing represented by the investments in the new account could be considered allowable. If the provider used some or all of the funds in the new account for a capital-related purpose, after having exhausted all available funded depreciation, an equivalent portion of the borrowing associated with the new account would be considered necessary, and the interest expense incurred thereon would be allowable. The commenter also recommended that the section of the proposed regulation that discusses improper withdrawals from funded depreciation, § 413.134(e)(3)(ii), be revised to state that investment income that was earned on funds that were subsequently withdrawn for an improper use shall be applied to reduce allowable interest expense for all cost reporting periods not barred from reopening under § 405.1885. This requirement is currently set forth in § 413.153(c)(3). Finally, the commenter recommended that we (1) include the requirement that funds be on deposit for six months before they can qualify as funded depreciation (currently set forth in the Provider Reimbursement Manual (HCFA Pub. 15-1), section 226.3), (2) include the requirement that funded depreciation must be placed in readily marketable investments of the type that assures the availability and conservation of the funds (currently set forth in HCFA Pub. 15-1, section 226), (3) delete the language in proposed § 413.134(e) that recommends that providers " \* \* \* coordinate their planning of capital expenditures with areawide planning activities of community and State agencies" because that language has no effect on reimbursement and is, therefore, gratuitous, and (4) correct the numbering of § 413.134(e)(3)(1) to read § 413.134(e)(3)(i).

**Response:** With regard to the commenter's recommendation that we describe the payment implications of borrowing when funded depreciation is available, but not used, we have revised § 413.134(e)(2) to incorporate language that is currently set forth in section

226.C. of the Provider Reimbursement Manual. With regard to the commenter's recommendation that we include an example in this preamble to illustrate the spenddown principle, we offer the following:

Assume that a provider has a need for \$20 million to construct a building that will be used for a purpose related to patient care. The construction project will require three years for completion. Assume further that the provider has \$10 million in available funded depreciation. At the beginning of the construction project, the provider borrows \$20 million to fund the construction project. At this point in time, \$10 million of the \$20 million borrowing will be considered unnecessary because the provider had \$10 million available in funded depreciation that should have been used (or committed) in lieu of borrowing to fund the project. Therefore, the interest expense on \$10 million of the \$20 million borrowing is unallowable. The analysis of this determination is as follows:

Sources of funds (millions):	
Funded depreciation.....	\$10
Debt proceeds.....	20
Total sources.....	30
Less uses of funds (millions):	
Construction project.....	20
Difference equals unnecessary borrowing.....	10

By the end of one year after the construction began, the funded depreciation account has earned \$1 million of investment income. In addition, the provider deposits an additional \$2 million in the funded depreciation account. The provider now has \$13 million in funded depreciation. Eight months later, the provider purchases a piece of equipment for \$4 million. The equipment will be used for a purpose related to patient care. The provider uses funded depreciation funds to purchase the equipment. The funded depreciation funds must be considered as being withdrawn on a last-in, first-out basis (the additional \$3 million, i.e., \$2 million in additional deposits and \$1 million in investment income), and then from the oldest deposit (\$1 million of the original \$10 million). At this point, \$1 million of the \$10 million in unnecessary borrowing becomes necessary, and the interest expense incurred thereon becomes allowable. The analysis of this determination is as follows:

Sources of funds (millions):	
Funded depreciation.....	\$13
Debt proceeds.....	20
Total sources.....	33
Less uses of funds (millions):	
Construction project.....	20
Equipment purchase.....	4

Total uses.....	24
Difference equals unallowable borrowing.....	9

We note that, in regard to curing, tainted funds are always the last funded depreciation account funds to be considered spent.

We have not adopted the commenter's recommended alternative approach which would require the segregation of funded depreciation that should have been used, but was not, in a separate account. We are not adopting this comment for two reasons. First, as explained, this comment would eliminate the ability of providers to cure an unnecessary borrowing. While we have the authority to prohibit curing, as a matter of policy, we are remitting it if certain conditions are met. Second, our current policy has the advantage of permitting the provider to aggregate the funded depreciation account, if so desired, in order to maximize investment income. With regard to the commenter's recommendation that we revise § 413.134(e)(3)(ii) to state that investment income that was earned on funded depreciation that was subsequently withdrawn for an improper use must be applied to reduce interest expense for all cost reporting periods not barred from reopening, we have instead included in that section a cross reference to § 413.153(c)(3) where that policy is currently stated. Finally, with regard to the balance of the commenter's recommendations, we have revised § 413.134(e) to (1) include the requirements that funds must be on deposit for six months before they qualify as funded depreciation (currently set forth in section 226.3 of HCFA Pub. 15-1), (2) include the requirement that funded depreciation must be placed in readily marketable investments of the type that assures the availability and conservation of the funds (currently set forth in section 226 of HCFA Pub. 15-1) and (3) delete the language that recommends coordination of planning of capital expenditures with areawide planning activities of community and State agencies. In addition, we have corrected the numbering of § 413.134(e)(3)(1) to read § 413.134(e)(3)(i).

**Comment:** One commenter asked that we describe in detail "certain factors" which, when present, would cause a capital-related borrowing to be considered necessary despite the presence of unexpended funded depreciation. This commenter also asked that we indicate whether providers and fiscal intermediaries must

reopen previously settled cost reports to accommodate situations that were not handled in accordance with the proposed regulations. Finally, this commenter asked if these proposed provisions regarding funded depreciation are to apply to cost reporting periods prior to October 1, 1991, and, if so, why would such application not be considered retroactive rulemaking. In a similar vein, another commenter opined that the proposed provision requiring that the spenddown of funded depreciation to cure an unnecessary borrowing be made on a last-in, first-out basis, expressed in § 413.134(e)(3)(i)(C), (the spenddown provision) represents a substantial change in Medicare policy and, therefore, should be applied on a prospective basis only. Similarly, another commenter suggested that we "grandfather" existing borrowings that have already been determined to be allowable because we are proposing to significantly change the standard by which borrowings will be determined to be allowable by changing the availability standard for funded depreciation.

*Response:* In the preamble to the proposed rule, the portion of our discussion that pertained to the necessity of borrowing for a capital purpose despite the presence of funded depreciation when certain factors were present was presented as background of the "contractually committed" standard. We see no purpose that would be served by describing in this final rule those factors that were involved in pre-1983 determinations regarding the necessity of borrowing despite the presence of funded depreciation because they did not represent a change in policy. Regarding the reopening of previously settled cost reports and the effective date of the proposed provisions, as we stated in the preamble to the proposed rule, the policy codified in this final rule has been in place since 1983 and our experience has been that providers and fiscal intermediaries understand and comply with the policy expressed in these provisions. Because this final rule merely codified a policy that has been in effect since 1983, as noted by the Court in *Hampton*, this final rule does not constitute retroactive rulemaking. Finally, we are not changing the standard by which borrowing will be determined to be allowable. The standard that funded depreciation be "committed by contract" to be considered unavailable is the same standard that has existed in the HCFA Provider Reimbursement Manual since January of 1983.

*Comment:* Two commenters objected to the proposed spenddown rule on the basis that, if the last deposit(s) in the funded depreciation account was not in the account for at least six months, it would fail to qualify as funded depreciation, and any investment income that had been earned on those funds for that less-than-six-month period would be subject to offset against allowable interest expense. The commenters recommended that we provide for the disallowance of either the interest expense on the unnecessary borrowing or the investment income earned by the latest withdrawal, but not both.

*Response:* Any deposit to funded depreciation that has not been in the account for at least 6 months does not qualify as funded depreciation. Accordingly, such deposit, will not have to be used before tainted funded depreciation funds can be cured. Interest on any funds that do not qualify as funded depreciation account funds must be used to offset interest expense.

*Comment:* One commenter objected to the proposed spenddown rule on the belief that a provider will be faced with two penalties (1) the disallowance of the interest expense on the unnecessary borrowing and (2) the elimination of the funded depreciation shelter. The commenter believed that such a result defeats the intent of the Medicare program to encourage providers to conserve funds for capital asset replacement.

*Response:* As illustrated by the spenddown process example above, if a provider borrows for a capital-related purpose in lieu of using available funded depreciation, the borrowing is considered unnecessary to the extent of the available funded depreciation and the interest expense incurred thereon is unallowable. However, the available funded depreciation that should have been used in lieu of the borrowing does not lose its character as funded depreciation, and investment income earned thereon will continue to be sheltered from offset against allowable interest expense. Therefore, the provider is not penalized.

*Comment:* One commenter expressed that our explanation of the spenddown process in the preamble to the proposed rule is inconsistent with the language of the regulation itself. The commenter pointed out that our explanation would require last-in, first-out withdrawals for proper purposes only when additions have been made to the funded depreciation subsequent to the occurrence of an unnecessary borrowing. The language of the

regulation itself makes no mention of subsequent additions to funded depreciation. The commenter suggested that we revise the regulation language to state that the last-in, first-out withdrawals must come from the subsequent additions to the funded depreciation account.

*Response:* We agree and have revised § 413.134(e)(3)(C) accordingly. We also note that, after all subsequent additions to the account are used, all other funded depreciation account funds must be used before tainted funds can be cured.

*Comment:* One commenter objected to the proposed spenddown rule on the basis that the rule would act as a disincentive to continuing funding the account, particularly because only interest expense related to old capital assets would be paid on a cost basis and, hence, potentially subject to offset. There is an incentive to "cure" the unnecessary borrowing before the old capital asset is retired. The commenter stated that we did not provide justification for the last-in, first-out principle, and recommended that we allow curing of an unnecessary borrowing on a first-in, first-out basis.

*Response:* We do not agree that the last-in, first-out method acts as either an incentive or disincentive to curing an unnecessary borrowing under the prospective payment system for inpatient hospital capital-related costs. Because funded depreciation that was available for use, but was not used, at the time a borrowing occurred continues to retain its character as funded depreciation, the investment income generated therefrom continues to be sheltered from offset against allowable interest expense, whether the interest expense is considered new capital or old capital. With respect to curing the unallowable borrowing so as to make the interest expense incurred thereon allowable, that interest expense would have already been identified as either new capital or old capital no matter when the curing takes place. Therefore, we believe that the spenddown provision is neutral with respect to the prospective payment system for inpatient hospital capital-related costs.

## VI. Other Required Information

### A. Paperwork Reduction Act

Sections 412.300ff of this final rule contain information collection requirements subject to review by the Office of Management and Budget under section 3507 of the Paperwork Reduction Act (44 U.S.C. 3501 through 3511). This section requires hospitals that are paid under the "hold harmless" provision to

segregate capital costs between old capital and new capital as defined in § 412.300(b) throughout the payment transition. We estimate that approximately 1,750 hospitals will receive a hold-harmless payment for old capital. A notice will be published in the *Federal Register* after approval is obtained for the additional recordkeeping requirements.

## B. Regulatory Impact Analysis

### 1 Introduction

Executive Order (E.O.) 12291 requires us to prepare and publish a regulatory impact analysis for any final rule that meets one of the E.O. 12291 criteria for a "major rule;" that is a rule that will be likely to result in—

- An annual effect on the economy of \$100 million or more;
- A major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or
- A significant adverse effect on competition, employment, investment, productivity, innovation or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

In addition, we generally prepare a regulatory flexibility analysis that is consistent with the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 through 612), unless the Secretary certifies that a final rule will not have a significant economic impact on a substantial number of small entities. For purposes of the RFA, we consider all hospitals to be small entities.

Also, section 1102(b) of the Act requires the Secretary to prepare a regulatory impact analysis for any final rule that may have a significant impact on the operations of a substantial number of small rural hospitals. Such an analysis must conform to the provisions of section 604 of the RFA. With the exception of hospitals located in certain New England counties, for purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital with fewer than 100 beds located outside of a Metropolitan Statistical Area or New England County Metropolitan Area. Section 601(g) of the Social Security Amendments of 1983 (Pub. L. 98-21) designated hospitals in certain New England counties as belonging to the adjacent New England Metropolitan County. Thus, for purposes of incorporating capital-related costs into the prospective payment system, we classified these hospitals as urban hospitals.

It is clear that the changes being implemented in this document will

affect both a substantial number of small rural hospitals as well as other classes of hospitals, and the effects on some may be significant. Therefore, the discussion below, in combination with the rest of this final rule, constitutes a combined regulatory impact analysis and regulatory flexibility analysis in accordance with E.O. 12291 and the RFA.

### 2. Changes in the Final Rule

In this final impact analysis we are primarily concerned with discussing the major changes to the final rule resulting from our consideration of comments. All of the changes have been discussed throughout the preamble to this final rule and the major changes are summarized here for the convenience of the reader.

- Instead of basing the Federal payment adjustments on regression analysis using capital costs per case as the dependent variable, we are basing the adjustments on total operating and capital costs per case regression analysis, and using pooled capital and operating cost data from FY 1988 and FY 1989 cost reports.

- We are establishing an adjustment to the Federal rate for the indirect costs of medical education based on the ratio of residents to average daily hospital inpatient census.

- We will determine the hospital-specific rate based on the hospital's Medicare allowable inpatient capital costs per discharge for its latest 12-month cost reporting period ending on or before December 31, 1990, instead of September 30, 1990. We will also adjust for transfers in the hospital's discharge count and base year case-mix index in order not to understate the hospital-specific rate.

- We are extending the cut-off date for old capital and changing it to a date certain, that is, December 31, 1990, instead of the latest reporting period ending on or before September 30, 1990. An asset that has been put in use for patient care on or before December 31, 1990 is considered old capital.

- We are also recognizing as old capital those costs for capital-related items and services that are legally obligated by an enforceable contract entered into on or before December 31, 1990 and are put in patient use before October 1, 1994. Under limited circumstances, involving either the certificate of need approval process or project completion delays due to extraordinary circumstances (for example, a construction strike), the cut-off date for recognizing obligated capital may be extended.

- We are expanding our definition of capital-related costs to recognize all currently defined capital-related costs in the definition of old capital under certain conditions.

- We are modifying the proposed hold-harmless payment methodology and the proposed fully prospective payment methodology to take into account the recognition of obligated capital.

- Since we are providing for a redetermination of the hospital-specific rate, we are eliminating the proposed special rule that would have allowed fully prospective hospitals with FY 1992 costs per case above the Federal rate to be paid under the hold-harmless payment methodology.

- We are reducing the hold-harmless payment for old capital costs to 85 percent of reasonable costs. We are granting additional payment protection for sole community hospitals by increasing the hold-harmless payment percentage for their old capital costs to 100 percent.

- We are eliminating the limitation on the ratio of the hospital's new capital costs to total capital costs used to determine the Federal rate payment portion of the payment for new capital costs under the hold-harmless payment methodology.

- We are revising our exceptions policies to establish exception payment levels by class of hospital during the transition. For portions of cost reporting periods occurring in FY 1992, we will make additional payments under the exceptions process to ensure that:

- Sole community hospitals receive capital payments that represent 90 percent of their Medicare inpatient capital costs;

- Urban hospitals with 100 or more beds that have a disproportionate share patient percentage of at least 20.2 percent receive capital payments that represent 80 percent of their Medicare inpatient capital costs; and

- All other hospitals receive capital payments that represent 70 percent of their Medicare inpatient capital costs.

Exceptions payments in subsequent transition years will be determined by comparing a hospital's cumulative allowable Medicare inpatient capital costs incurred for all cost reporting periods that the hospital has been subject to the capital prospective payment system (including the period for which the exception payments are requested) to the cumulative capital payments that have been received over the same period. The exceptions payments will cease at the end of the transition period.

- We are providing a limited exception during the transition period for hospitals that must make an unanticipated major capital expenditure due to circumstances beyond their control.

- To update the Federal rate and the hospital-specific rate through FY 1995, we are using a moving two year average of actual increases in Medicare inpatient capital costs per case, adjusted for case mix change. We will derive the update factor for FY 1993 based on a comparison of the Medicare inpatient capital costs per case in FY 1990 and the costs per case in FY 1988.

- New hospitals will be exempt from the capital prospective payment system for their first 2 years of operation and will be paid 85 percent of reasonable costs during this period. The second year would be the hospital's base period for purposes of determining the facility's hospital-specific rate and old capital assets. Effective with the third year of operation, the hospital will be paid under the fully prospective methodology using the appropriate transition year blend or the hold-harmless methodology. The hold-harmless payment will continue for up to 8 years.

### 3. Hospitals Included In and Excluded From the Capital Prospective Payment System

In general, hospitals began operating under the prospective payment system with the start of their cost reporting period beginning on or after October 1, 1983. Section 1886(g)(1)(A) of the Act requires that all hospitals subject to section 1886(d) of the Act be paid for the capital-related costs of their inpatient services on a prospective payment basis effective with the hospitals' first cost reporting period after September 30, 1991. As of August 6, 1991, 5,495 hospitals (about 84 percent of all Medicare-participating hospitals) were identified as Medicare participating, short-term, acute care hospitals. Of this number, only 59 hospitals remain excluded from the prospective payment system under section 1814(b)(3) of the Act (in Maryland) or a demonstration project (in the Finger Lakes region of New York State). Thus, as of August 6, 1991, 5,436 hospitals were operating under the prospective payment system.

Among the 5,436 prospective payment hospitals, there are over 1,160 hospitals that are paid on various special bases under the prospective payment system, as required by statute. They include sole community hospitals; Medicare-dependent, small rural hospitals; and rural referral centers. In addition, there are some 1,580 hospitals that are receiving additional payments on the

basis of being classified as disproportionate share hospitals. About 30 of these hospitals also receive special payments as rural referral centers. About 1,200 hospitals are receiving additional payments for the indirect cost of medical education. There are about 610 hospitals that qualify for additional payments under both the indirect medical education and disproportionate share payment provisions.

As of August 6, 1991, 706 Medicare hospitals were excluded from the prospective payment system and continue to be paid on the basis of their reasonable cost, subject to limits on the rate of their cost increases. These hospitals include psychiatric, rehabilitation, long-term care, and children's hospitals. Another almost 1,830 psychiatric and rehabilitation units in hospitals subject to the prospective payment system are excluded from the prospective payment system as of the same date. These units, too, are paid on the basis of reasonable cost subject to limits on the rate of their cost increases. Although hospitals extensively involved either in the treatment of cancer or cancer research have been paid on a reasonable cost basis, section 6004(a) of Public Law 101-239 specifically excluded these hospitals from the prospective payment system effective with cost reporting periods beginning on or after October 1, 1989. There are currently nine hospitals that HCFA has designated as cancer research or treatment hospitals.

Since hospitals excluded from the prospective payment system will also be excluded from the capital-related prospective payments, we anticipate no effect on payments for capital-related costs to these hospitals and do not consider them further in this impact analysis.

### 4. Responses to Comments

We received many comments from hospitals and organizations that do business with hospitals. These comments detailed the expected impact of the proposed capital-related payments on their hospital or on the hospital with which the commenter does business. We are in no position to validate or invalidate the commenters' statements. As described in the initial impact analysis and reiterated in this final analysis, our estimates of the impact of the prospective payment method for hospital capital-related costs are based on a probabilistic model that relies on historical data. We have not, therefore, responded to comments presenting impact analyses of individual hospitals.

*Comment:* Several commenters took issue with us for the way we displayed the impact of the proposed capital-related payment methodology and for the content of the tables. Some of these commenters urged us to display tables showing the effect for the full 10 years of the transition. Others requested more data on the usual categories of hospitals used to present the impact of changes in the operating prospective payment system. One commenter stated that the impact tables were misleading, believing that they should show the effect of the new payment system compared to 90 percent of actual costs rather than compared to 85 percent of actual costs. Several commenters asked that we acknowledge the greater administrative burden of capital prospective payments in the impact tables.

*Response:* Because the displayed impact must be based on the actuarial model described in appendix A of the final rule, we are unable to present more data on the usual categories of hospitals. Until we know more about which hospitals will be paid under the hold-harmless and fully prospective methodologies we will be unable to provide more detail about these categories. Once we obtain this additional information, we will still not know the capital acquisition and disposal plans of individual hospitals. As a result, while we remain confident about our ability to predict aggregate changes in capital-related costs, we will continue to be unable to reliably present this kind of cross-sectional analysis.

Furthermore, our analysis of the variation in capital costs per case indicates that the groupings of hospitals used in impact analyses of the prospective payment system for operating costs are not very useful in identifying hospitals that will be affected by the proposed change in capital payment policy. The most important factors that will determine the impact of the capital prospective payment system on an individual hospital are the timing and amount of its capital expenditures. Our analysis reveals that the timing and amount of spending for capital are not highly correlated with the characteristics used for grouping hospitals in impact analyses of the prospective payment system for operating costs. This is because the hospital characteristics used to establish these groupings are not highly correlated with other variables, such as the age of the capital assets and financing variables, that are important factors in explaining the variation in capital costs per case among hospitals.

In displaying the impact of the capital-related prospective payment system, we believe that it is appropriate and consistent with past practice to compare payments for FY 1992 with payments in FY 1991 under the rules that govern each set of payments. Thus, we are comparing estimated payments for FY 1992 with FY 1991 payments that by law are to equal 85 percent of reasonable costs.

There is no way to acknowledge any greater administrative burden to hospitals in the impact tables because we have no way to quantify this increased burden. Furthermore, we question whether the administrative burden to hospitals of capital prospective payments will be appreciable in any case. It is true that hold-harmless hospitals and hospitals with obligated capital will have to maintain separate records for these assets, but we do not believe that the burden of these separate records is a substantial one. Moreover, we are allowing hospitals paid under the hold-harmless payment methodology to elect to be paid 100 percent of the Federal rate if they believe the recordkeeping burden exceeds the benefits of the hold-harmless payments.

**Comment:** One commenter requested that we address in the impact analysis the effect of the capital prospective payment system on total health care spending.

**Response:** HCFA lacks both the data and the resources to model such an impact. We also do not believe that either E.O. 12291 or the RFA require us to produce such an analysis.

## 5. Impact of Capital Payments on Hospitals

**a. General Considerations.** Any impact analysis of payment changes for capital-related costs is limited by our ability to develop meaningful projections of new capital investment. Our principal constraint is the availability of hospital-specific data on major hospital capital investments. The lack of hospital-specific data limits our impact analysis in the following ways:

- Major investment in hospital capital assets (for example in building and major fixed equipment) occurs at irregular intervals. As a result, there can be significant variation in the growth rates of Medicare capital-related costs per case among hospitals. We do not have the necessary hospital-specific data to project the individual hospital capital growth rates. Since our FY 1992 projection of capital-related costs could be very inaccurate for individual hospitals, a cross-sectional impact analysis using the usual prospective

payment system hospital groupings (for example, urban or rural, teaching or nonteaching, etc.) that rely on individual hospital projections from FY 1988 and FY 1989 cost reports may not be representative of the impact of the capital prospective payment system in FY 1992.

- Moreover, our policy of recognizing certain obligated capital as old capital will only complicate the problem of projecting future capital-related costs for individual hospitals. We do not know the amount of funds individual hospitals have obligated for future capital projects. Without knowing what proportion of an individual hospital's future capital spending will qualify as old capital, we cannot accurately project how the hospital will be affected by the transition payment policies.

- A meaningful cross-sectional analysis of the capital prospective payment system would have to control for the two transitional payment methods implemented in this final rule (the hold-harmless method and the fully prospective payment methods).

Because we cannot accurately predict an individual hospital's FY 1992 capital-related costs, we cannot determine with any certainty which hospitals will qualify for payment under the hold-harmless payment method or the fully prospective payment method. A cross-sectional analysis that includes all hospitals without distinguishing between the payment methodologies will not fully or accurately present the critical redistributive effects that are expected to occur between "hold-harmless" hospitals and "fully prospective" hospitals. The cross-sectional analysis described later in this impact analysis is intended to provide only a sense of how hospitals would have been affected if there were no transition, and they were paid 100 percent of the Federal rate.

### **b. Projected Impact Based on the Capital Acquisition Model.**

**i. Assumptions.** Based on the above considerations, our approach to the impact analysis in this final rule is different from the approach we have taken in earlier proposals to pay for capital on a prospective basis. In those proposed and final rules, we presented static impact analyses that assumed all hospitals experienced the same rate of growth in capital costs per case. However, in developing this final rule, we need to model individual hospital capital growth rates for budget neutrality purposes. Consequently, we believe our impact analysis should rest on the same assumptions underlying the final payment methodology. In this impact analysis, therefore, we have

attempted to model dynamically the impact of the capital prospective payment system from FY 1992 through FY 1995 using a capital acquisition model. This model, which is described in appendix A, contains 6,000 hypothetical hospitals and includes the payment variables needed to estimate aggregate payments under the capital prospective system; however, it does not include the detailed hospital characteristics needed to produce the cross-sectional impact analysis we have presented in the previous capital prospective payment proposals. For purposes of the impact analysis, the model includes the following assumptions:

- Medicare inpatient capital costs per discharge will increase at the following rates during these periods:

Fiscal year	Average rate of increase (percent)
1991.....	10.00
1992.....	10.04
1993.....	10.87
1994.....	10.75
1995.....	10.71
1996.....	10.68

<sup>1</sup> Does not contain 0.1 percent adjustment for the effects of section 4003 of Pub. L. 101-508, which provides that certain outpatient services furnished within 72 hours before admission will be covered as inpatient services.

- The Medicare case mix index will increase by 2 percent annually.

- The Federal capital rate as well as the hospital-specific rate will be updated by the two year moving average increase in Medicare capital costs per case, adjusted for case mix change, that occurred 3 and 4 years previous to the fiscal year in question. For example, the FY 1995 update will be the average of 10.00 percent and 10.04 (the FY 1992 and FY 1993 increases adjusted for a 2 percent increase in case mix, or the square root of  $((1.1000 \div 1.02) \times (1.1004 \div 1.02))$ ).

- Payments under the exceptions process will be limited to 10 percent of aggregate payments made under the Federal and hospital-specific rates. The percentage of payment in excess of the qualifying threshold for an exception will be reduced as necessary to maintain the 10 percent limitation.

- Consistent with the budget neutrality constraints provided in section 4001(b) of Public Law 101-508, aggregate Medicare payments for capital costs in FY 1992 through FY 1995 will equal 90 percent of total Medicare inpatient capital costs. The budget neutrality adjustment factor will be applied to the Federal and hospital-

specific rates only and not to the hold-harmless payment for old capital.

ii. *Results.* We have used the model to estimate the change in payment for capital-related costs relative to payments based on 85 percent of

reasonable costs from FY 1992 through FY 1995. To show the effect of the capital prospective payment system on low capital cost hospitals and high capital cost hospitals, we are presenting the results of our simulation separately

for hospitals that will be paid under the fully prospective rate and for hospitals that will be paid under the hold-harmless methodology in FY 1992. The breakdown of hospitals by transition payment methodology is as follows:

#### CAPITAL TRANSITION PAYMENT METHODOLOGY

Payment methodology	Percent of hospitals	FY 1992 percent of discharges	FY 1992 percent of capital costs	FY 1992 average cost per discharge
Fully prospective.....	71	68	35	\$370.22
Hold-harmless.....	29	34	65	1,345.88

A fully prospective payment hospital may request to have their hospital-specific rate redetermined based on old capital costs in the current year through the later of the hospital's cost reporting period beginning in FY 1994 or the first cost reporting period beginning after obligated capital comes into use. If the redetermined hospital-specific rate is greater than the adjusted Federal rate, these hospitals will be paid under the hold-harmless payment methodology. Regardless of whether the hospital would become a hold-harmless payment hospital as a result of this redetermination, we have continued to show these hospitals as fully prospective payment hospitals in Tables 1 through 3. The following table shows the number of these hospitals, and hospitals that are paid 100 percent of the Federal rate or that are paid under hold-harmless payment methodology:

Fiscal year	Percent of fully prospective hospitals that qualify as hold-harmless	Of these, percent that are paid:	
		100% Federal	Hold-harmless
1992.....	0.7	39	61
1993.....	0.9	25	75
1994.....	1.2	8	92
1995.....	1.2	8	92
1996.....	1.2	16	84

Assuming no behavioral changes in capital expenditures, Table 1 displays the percentage change in payments from FY 1992 through FY 1995 relative to payment based on 85 percent of reasonable costs. We have used 85 percent of reasonable costs as the baseline because it is the FY 1991 payment level. The percentage of hospitals were calculated for each cell in Table 1 compared to the total universe of hospitals used in our impact model. Since aggregate payments under the capital prospective payment system for FY 1992 through FY 1995 will equal 90 percent of what would have been

payable on a reasonable cost basis there will be an aggregate 5.9 percent increase in Medicare capital payments during this period compared to 85 percent of reasonable cost paid in FY 1991.

We project that hospitals paid under the fully prospective payment methodology will experience an average case-weighted increase in payments of 21.4 percent; and hospitals paid under the hold-harmless methodology will experience an average decrease of 2.5 percent. A 20 percent change in capital payments represents about a 2 percent change in total Medicare inpatient payments.

In the short run, we do not expect a significant change in the rate of new capital investments. Immediate behavioral changes in capital expenditures are unlikely because of the time required for the planning and completion of capital projects and for modifying financing arrangements. We expect, however, that hospitals will respond to the incentives of the capital prospective payment system within a few years and modify their behavior accordingly. Under the hold-harmless payment provision, hospitals will be paid 85 percent of their reasonable costs for old capital. Thus with respect to old capital, hospitals paid under the hold-harmless payment method will maintain the same payment rate compared to payments based on reasonable costs. New capital costs, over which they have more discretion, will be paid on a prospective basis based on a portion of the Federal rate. The reductions in payments compared to payments of 85 percent of reasonable costs that are reflected in our projections are attributable solely to payments for new capital investment. The analysis of possible scenarios of rates of new investment indicate that hospitals with relatively high capital costs will be able to significantly lessen the impact of the capital prospective payment system by reducing their new capital investment by, for example, choosing to postpone

the acquisition of noncritical assets or purchasing less costly assets. In addition, hospitals have the ability to undertake various term financing arrangements that could bring their stream of debt payments over time into line with the expected Medicare capital payments. Further, we note that the projected reductions in FY 1992 payments do not necessarily imply losses for hospitals. A noncash expense, such as depreciation, may cause a hospital to show an accounting loss, but it does not affect cash flow.

In tables 2 and 3, we present the average dollar change in capital payments per case compared to payments based on 85 percent of reasonable costs using different assumptions regarding the rate of new capital investment. A \$100 increase or decrease in capital payments represents about a 1.5 percent change in total Medicare inpatient payments. The percent of hospitals in these tables were calculated using the number of hospitals in each payment category (that is, hold-harmless or fully prospective) rather than the total universe as in Table 1.

Table 2 displays the impact for hospitals paid under the fully prospective payment methodology. Scenario 1 assumes no behavioral change; that is, the rate of growth is the same as under the reasonable cost payment system. Scenario 2 assumes that there will be a 10 percent aggregate reduction in new capital investment beginning in FY 1994 compared to the currently projected increase in new capital investments under the reasonable cost payment system. Since most hospitals paid under the fully prospective payment methodology will accumulate surpluses during the transition period, Scenario 3 assumes a 10 percent aggregate increase in new capital investment beginning in FY 1994.

Assuming no behavioral change, the average payment per case will increase \$67.27 in FY 1992 (under any of the scenarios) and \$113.20 in FY 1994



(Scenario 1). In FY 1994, the average payment per case will increase \$118.63 relative to payment based on 85 percent of reasonable costs if new capital investment declined by 10 percent and will increase \$107.86 if new capital investment increased by 10 percent.

The relationship between changes in the rate of new capital investment and the impact of capital prospective payments on hospitals paid under the hold-harmless methodology is illustrated in table 3. Scenario 1 assumes no change in capital investment patterns. Scenario 2 assumes a 10 percent aggregate reduction in capital spending compared

to spending under reasonable cost payments beginning in FY 1994, and Scenario 3 assumes a 20 percent aggregate reduction beginning in FY 1994. Assuming no behavioral changes, the average payment per case will decrease \$28.89 in FY 1992 and \$96.13 in FY 1994 relative to payment based on 85 percent of reasonable cost. In FY 1994, the average payment per case will decrease \$90.44 and \$84.69 if hospitals reduce new capital investment by 10 and 20 percent, respectively. In FY 1995, the average payment per case will decrease \$160.06 if there are no changes in the rate of new capital investment.

The average payment per case will decrease \$145.06 if hospitals paid under the hold-harmless methodology reduce new capital investments by 10 percent and \$129.77 if new capital investments are reduced by 20 percent.

It is evident that when compared to the policies proposed in the February 28, 1991 document (the NPRM), our final policies result in significantly lower redistribution of payments from hospitals with high capital-related costs to hospitals with low capital-related costs.

COMPARISON OF NPRM AND FINAL RULE: CHANGE IN PAYMENT COMPARED TO 85 PERCENT OF REASONABLE COSTS

	Hospitals paid under the fully prospective methodology				Hospitals paid under the hold-harmless methodology			
	FY 1992	FY 1993	FY 1994	FY 1995	FY 1992	FY 1993	FY 1994	FY 1995
NPRM .....	42.8	45.5	50.8	57.0	-6.5	-8.8	-10.0	-12.5
Final .....	21.4	25.8	29.0	35.2	-2.5	-5.0	-6.9	-10.3

*c. Cross-sectional Comparison of Average Capital Costs Per Case and Payment Simulations.*

*i. Introduction.* Tables 4 through 6 present a cross-sectional comparison of hospital average costs per case above and below the national average cost per case and 100 percent Federal payment simulations. These analyses show the effect of the capital-related prospective payment methodologies on the hospital grouping used in impact analyses for the prospective payment system for operating costs.

In tables 4 through 6, we are presenting the impact of the capital payment methodologies on teaching hospitals in terms of the resident-to-bed ratio specifically so that readers may compare these analyses with those for the prospective payment system for operating costs. Also, we have not yet developed a break point for distinguishing heavy teaching involvement from light teaching involvement using the resident-to-average-daily-census ratio that is comparable to the break point developed for the resident-to-bed ratio (resident-to-bed ratios less than .25 or ratios equal to or greater than .25). Although we are classifying teaching hospitals according to their resident-to-bed ratio for display purposes, for our simulations, we have computed the indirect medical education adjustment factor using the ratio of resident-to-average-daily-census.

Section 1886(d)(10) of the Act established the Medicare Geographic Classification Review Board (MGCRCB). Fiscal year 1992 is the first year that

hospitals will be reclassified as a result of decisions by the MGCRCB. Under our regulations at subpart L of part 412, hospitals may apply for reclassification for the purpose of obtaining a higher wage index value, standardized payment amount or both a higher standardized payment amount and wage index value. Over 950 hospitals will be reclassified for FY 1992.

To present the effects of the hospitals being reclassified for FY 1992, we are dividing each of the three following tables into two parts. The first part shows hospitals by geographic location (before reclassification under section 1886(d)(10) of the Act) while the second part of each table shows hospitals by their payment classification (after reclassification under section 1886(d)(10) of the Act) under the operating prospective payment system. For example, our analysis in Table 4 of hospital payments based on geographic location shows the number of hospitals in large urban, other urban and rural areas is 1,383, 1,345, and 2,432, respectively. The analysis of hospitals by payment categories shows the number of large urban, other urban and rural hospitals to be 1,518, 1,426, and 2,216, respectively. Although there is no difference with respect to the Federal rate, a hospital's geographic classification for payment purposes does affect a hospital's payments as result of the large urban adjustment factor. These effects are evident from a comparison of the two analyses within each table.

*ii. Cross-sectional Comparison of Average Capital Costs Per Case.* Using

data from cost reports beginning in FY 1989 (the most recent cost data available), we compared the case-weighted average capital cost per case for hospital groupings to the national average cost per case. Table 4 shows the average case-weighted adjusted cost for all hospitals, the average case-weighted adjusted cost for hospital groupings, and the case-weighted adjusted average cost for hospitals above and below the national average adjusted cost per case. The purpose of this analysis is to provide an indication of which hospitals will be paid under the fully prospective payment methodology and which hospitals will be paid under the hold-harmless methodology.

To accomplish this, we calculated within each hospital grouping the case weighted cost per case adjusted for the payment variables that will be used in the capital prospective payment system (other than outliers). That is, we adjusted each hospital's average cost per case for its FY 1989 case mix, the disproportionate share adjustment factor, geographic adjustment factor and the indirect medical education adjustment factor. Where appropriate, we also adjusted a hospital's rate by the large urban adjustment factor and cost-of-living adjustment. We did not adjust for outliers because the comparison between the Federal rate and the hospital-specific rate for purposes of determining which payment methodology will be applicable throughout the transition is made exclusive of the outlier payments to an individual hospital. The relationship



between the case-weighted adjusted cost per case for the different hospital groupings and the national average adjusted cost per case is comparable to what the relationship between the hospital-specific rate and the Federal rate would be if the Federal and hospital specific rates were to be based on FY 1989 cost report data.

This analysis shows which hospital groupings tend to have relatively high and low costs after the payment variables are taken into account. Those hospital groupings with an above average cost per case are likely to have a higher proportion of hospitals paid under the hold-harmless methodology. Conversely, those hospital groupings that tend to be low cost are likely to have a higher proportion of hospitals paid under the fully prospective methodology. Again, we caution the reader that hospital investments in new capital between the period used to develop this analysis and the actual base year used to establish the hospital-specific rate (the latest cost reporting period ending on or before December 31, 1990) may result in a somewhat different distribution of hospitals than the one shown in Table 4.

Within most hospital groupings, there is a roughly equal division of hospitals above and below the national average. Based on actual geographic location, the difference between the cost per case for large urban hospitals and the national average is 1.7 percent and the hospitals are evenly divided between those with an average adjusted cost per case above the national average and those with an average adjusted cost per case below the national average. The difference between the average cost per case for rural hospitals and the national average is -10.4 percent. Nearly 75 percent of rural hospitals have an adjusted cost per case below the national average. In particular, 81.5 percent of rural hospitals with fewer than 50 beds have an adjusted cost per case below the national average; and nearly 71 percent of rural hospitals with 50 to 99 beds have an average adjusted cost per case below the national average. The difference between the national average cost per case for hospitals with fewer than 50 beds and for hospitals with 50 to 99 beds is -30.2 percent and -11.5 percent, respectively.

For major teaching hospitals, the average adjusted cost per case is 6.9 percent below the national average and 71.5 percent of major teaching hospitals have an average cost per case that is below the national average after adjustment for the payment variables.

The percentage difference between the average adjusted cost per case and

the national average for proprietary hospitals is 32.4 percent. This is the only group of hospitals that is likely to have a majority of hospitals paid under the hold-harmless methodology. About 62.7 percent of proprietary hospitals have a capital cost per case above the national average cost per case. The case weighted average cost for these hospitals is 65.2 percent above the national average.

With respect to reclassified hospitals, they appear to be roughly divided equally between high cost and low cost hospitals. In this respect they appear to be fairly representative of the universe of hospitals.

The preceding analysis shows hospital grouping divided into those hospitals with below average capital costs per case and those with above average costs per case. Keeping in mind that more current cost report data could alter our analysis, Table 4 indicates which groups of hospitals will most likely be paid based on fully prospective payments and those that will most likely be paid on the basis of the hold-harmless provisions.

*iii. Federal Rate Payment Simulations.* To estimate the potential impact of payment based solely on the Federal rate, we simulated what payments would have been if capital payments had been based solely on the Federal rate and the payment adjustments instead of reasonable cost payments for cost reporting periods beginning in 1989. We constrained the total capital payments in the simulation to the FY 1989 cost report levels. Thus, the case-weighted national average payment per case equals the case-weighted national average cost per case.

In the proposed rule, we presented the impact analysis for the subset of hospitals for which we had capital age and financing data. As explained in section IV.A., many commenters had expressed concern about the representativeness of this subsample. In response to the comments, we have taken several steps to make the subset of hospitals more representative. We redefined the capital age variable to combine fixed and moveable assets. We imputed an interest rate for hospitals that had data on asset age but not on interest rates. We used cost data from hospital cost reporting periods beginning in FY 1989 in place of the FY 1988 cost reports used in the initial analysis. The result of these changes was to expand our sample of hospitals from 1,906 to 4,027.

In addition to these steps we ran two payment simulations to test the representativeness of our subset of hospitals. The first simulation presented

in Table 5 uses all hospitals (5,117 hospitals), and measures the effect of Federal payments compared to national average costs that have not been standardized by the age and financing variables. The second simulation presented in Table 6 replicates the simulation we presented in Table 6 of the February 28, 1991 proposed rule (56 FR 8511). That is, Table 6 displays the percentage difference between the average cost per case and the average payment per case and the percentage difference between the average cost per case after standardizing for the capital age and financing variables and the average payment per case. The differences between this Table 6 and the one presented in the proposed rule are—The use of hospital data from cost reporting periods beginning in FY 1989 rather than from FY 1988; The inclusion of redefined age and financing variables; and the resulting availability of more hospitals that could be included in the subset.

*iv. Simulation of Federal Adjusted and Unadjusted Rates Using All Hospitals.* For hospitals located in large urban areas, the payment adjustments moderate the reduction these hospitals would have received if their Federal payment rates had been based on data from cost reporting periods beginning in FY 1989. Their unadjusted payment rate would have reduced their average payment per case by 14.6 percent while the adjusted payment rate would have reduced the payment per case by 0.2 percent. The effect of the adjustments would have reduced payments slightly more than their unadjusted rate. The adjustments would have had a significant effect on payments to rural hospitals. The unadjusted rate for rural hospitals would have resulted in a 52.2 percent increase while the adjusted rate would have resulted in only a 7.7 percent increase. Small rural hospitals show similar differences between their unadjusted and adjusted payment rates. The payment rates for rural hospitals with fewer than 50 beds and rural hospitals with 50 to 99 beds are 126 percent and 64 percent higher than their average cost per case, respectively, while the adjusted federal payment rates are 34.4 percent and 7.9 percent higher than their average cost per case.

The adjustment factors would appear to help hospitals with major teaching programs. Without any adjustments, their Federal payments would have been 27 percent lower than their average cost per case. With the adjustments included in their Federal rate, their payments would have increased 10.5 percent.

We now turn to a similar comparison of adjusted and unadjusted rates but compared to average costs per case that have been standardized for age and financing variables using the subset of hospitals used to derive these variables. We also compared adjusted and unadjusted Federal rates with costs derived from the same subset of hospitals but that were not standardized for the age and financing variables.

*v. Simulation of Adjusted and Unadjusted Federal Rates Compared to Standardized and Unstandardized Average Costs Per Case.* We standardized for age and financing variables to illustrate the effect they have on capital costs per case and on the impact of prospective payments and because we expect hospitals to adapt their capital timing and financing decisions to the incentives of the prospective payment system for capital-related costs. The comparison between payments and actual costs illustrates the impact of the Federal rate assuming no changes in behavior. The comparison between payments and standardized costs provides an indication of what the impact will be in the long run, assuming no changes in new capital acquisitions. We expect the differences in capital financing and age attributes to even out over time. To provide an indication of the effect of the payment adjustments, the comparisons are made to both payments based on the Federal rate without further adjustment and payment based on the Federal rate adjusted for case mix, outliers, disproportionate share, indirect medical education, and the geographic adjustment factor; that is, the payment rules applicable to 100 percent of payment after the transition expires.

The simulation results are consistent with the other analyses using hospital data from cost reporting periods beginning in FY 1989. As expected, both the payment adjustments and standardization for the capital age and financing variables serve to reduce the percentage difference between costs and payments. For most hospital groupings, there would have been less than a 5 percent difference between their actual costs per case or their standardized cost per case and the adjusted Federal rate. However there are several groupings whose actual and standardized adjusted rates differ from their actual and standardized costs by more than 5 percent. Hospital groups with the largest differences are: Rural hospitals with fewer than 50 beds; rural, disproportionate share hospitals that are not rural referral center or sole community hospitals; small, rural

Medicare dependent hospitals; and hospitals with Medicare inpatient days greater than 65 percent of hospital utilization. Of these groupings, only hospitals with high Medicare utilization would have experienced a significant decrease in payments for capital-related costs. The adjusted Federal rate would have been under our simulation 16.6 percent lower than the standardized cost per case and 21.6 percent below the actual cost per case for these hospitals. On the other hand, the adjusted Federal rate for rural hospitals with fewer than 50 beds would have been 23 percent greater than the standardized cost per case for these hospitals and 37 percent greater than the actual cost per case.

For proprietary hospitals, the difference between the impact based on actual costs and on standardized costs is marked. The adjusted Federal rate payments would have been 25.5 percent lower than actual average costs per case compared to 3.0 percent lower than standardized average costs per case.

In conclusion, we note that the actual costs per case and the percentage differences between the cost per case and adjusted and unadjusted Federal rates shown in Table 5 are very similar to the actual cost per case and the differences for the adjusted and unadjusted Federal rates presented in table 6. In most cases, the difference between the values presented in tables 5 and 6 are less than 2 percentage points. In fact, the values in table 5 compare more closely to percentage differences between the standardized costs per case and the adjusted and unadjusted Federal rates in table 6.

*e. Impact of the Final Exceptions Policy.* In accordance with the authority given to the Secretary under section 1886(g)(1)(B) of the Act to grant exceptions to the capital prospective payment system, we will pay hospitals in financial difficulties additional amounts for their capital-related costs. These exceptions are intended to help hospitals that have committed themselves to major capital projects that either have been obligated after the cut-off date for considered as old capital (December 31, 1990), or will be obligated and brought into service sometime during the transition period. We recognize that major capital projects are often planned far in advance of their completion date and the plans for these projects assume specific cash flow levels. Our prospective payment system for capital-related costs could disrupt a hospital's financial plans and may cause some hospitals financial distress. We are therefore implementing the exceptions policy described in section

IV.C of the preamble to this final rule. These exceptions will be available only during the transition period in keeping with the principle that the price paid for hospital services should be independent of a hospital's investment decisions.

Under the final exceptions policy, beginning in fiscal year 1992, the amount of the exceptions payment will be determined as the difference between a percentage of the hospital's reasonable capital-related costs and the payments that it will receive under the capital prospective payment system in the absence of the exceptions process. Consistent with the proposed rule, we are establishing the minimum payment levels by class of hospital. The minimum payment levels for portions of cost reporting periods occurring during FY 1992 are as follows:

Sole community hospitals (located in either an urban or rural area), 90 percent; Urban hospitals with at least 100 beds and a disproportionate patient percentage of at least 20.2 percent, 80 percent; and, All other hospitals, 70 percent.

The minimum payment levels in subsequent transition years will be revised, if necessary, to keep total exceptions payments at no more than 10 percent of capital prospective payments. Also, effective with cost reporting periods beginning in FY 1993, the exceptions payment amount will be determined on a cumulative basis. That is, total payments made under the capital prospective payment system through the transition year for which the exceptions payments will be made will be compared to the applicable percentage of cumulative reasonable costs for capital over the same period.

In addition to this exception, we are providing an additional exception for extraordinary circumstances that result in unanticipated capital expenditures exceeding \$5 million. Although we expect hospitals to apply for this exception in FY 1992, we do not anticipate that they will incur allowable expenses in FY 1992. Therefore, in our analysis, we have not included any hospitals in this payment exception category.

Based on our capital acquisition model, we estimate that 9 percent of the hospitals paid under the hold-harmless payment methodology will receive approximately 86 percent of the total payments for exception in FY 1992. By comparison, about 2 percent of the hospitals paid under the fully prospective payment methodology will receive about 14 percent of the total exception payments in FY 1992.

## 5. Alternatives Considered

In our responses to comments, we have explored the various alternatives we considered as well as those that commenters proposed. As stated throughout the preamble to this final

rule, we have adopted some of the alternatives we had previously rejected and alternatives that we had not previously considered. For example, we have revised our policy on how we will define old capital under this rule. We have also significantly revised our

exceptions policy. Thus, we believe, that we have given due consideration to many alternatives and have satisfied the requirements of E.O. 12291 and the RFA for consideration of alternatives to our final policy.

TABLE 1.—IMPACT OF CAPITAL PROSPECTIVE PAYMENT SYSTEM ON ALL HOSPITALS; CHANGE IN PAYMENT COMPARED TO 85 PERCENT OF REASONABLE COST REIMBURSEMENT

[Percent of Total Hospitals]

	Hospitals paid under fully prospective methodology (71 percent of hospitals)				Hospitals paid under hold-harmless methodology (29 percent of hospitals)			
	FY 1992	FY 1993	FY 1994	FY 1995	FY 1992	FY 1993	FY 1994	FY 1995
<b>Loss</b>								
20 percent or more.....	0.0	0.3	1.0	1.1	0.0	0.9	2.0	3.2
10-20 percent.....	1.1	1.9	2.4	3.0	3.2	4.9	6.3	9.1
0-10 percent.....	3.6	4.0	4.3	4.1	19.3	17.7	15.4	11.8
<b>Gain</b>								
0-10 percent.....	7.6	6.7	6.5	6.4	2.8	2.7	3.0	3.4
10-20 percent.....	11.9	8.9	7.5	5.5	3.5	2.5	2.2	1.1
20 percent or more.....	46.4	48.8	49.0	50.6	0.7	0.8	0.6	0.9
Average percentage change.....	21.4	25.8	29.0	35.2	-2.5	-5.0	-6.9	-10.3

TABLE 2.—IMPACT OF CAPITAL PROSPECTIVE PAYMENT SYSTEM ON HOSPITALS PAID UNDER FULL PROTECTIVE METHODOLOGY

[Payment Change per (Dollars) Case Compared to 85 Percent of Reasonable Cost Reimbursement]

	FY 1992	FY 1993	FY 1994	FY 1995
<b>Scenario 1: No Change in New Capital Costs</b>				
<b>Loss:</b>				
\$200+.....	0.0	0.0	0.5	1.0
\$100-\$200.....	0.4	1.2	2.3	3.0
\$0-\$100.....	6.2	7.6	8.1	7.5
<b>Gain:</b>				
\$0-\$100.....	78.4	50.4	30.5	20.4
\$100-\$200.....	14.5	38.3	46.4	35.2
\$200+.....	0.4	2.5	12.3	32.8
Average dollar change per case.....	67.27	90.36	113.20	152.30
Average percentage change.....	21.4	25.8	29.0	35.2
<b>Scenario 2: 10 Percent Reduction in New Capital Costs Beginning in FY 1994</b>				
<b>Loss:</b>				
\$200+.....	0.0	0.0	0.5	0.7
\$100-\$200.....	0.4	1.2	2.0	2.4
\$0-\$100.....	6.2	7.6	7.5	6.8
<b>Gain:</b>				
\$0-\$100.....	78.4	50.4	29.6	18.8
\$100-\$200.....	14.5	38.3	47.3	36.3
\$200+.....	0.4	2.5	13.2	34.9
Average dollar change per case.....	67.27	90.36	118.63	163.43
Average percentage change.....	21.4	25.8	30.9	38.9
<b>Scenario 3: 10 Percent Increase in New Capital Costs Beginning in FY 1994</b>				
<b>Loss:</b>				
\$200+.....	0.0	0.0	0.7	1.5
\$100-\$200.....	0.4	1.2	2.7	3.6
\$0-\$100.....	6.2	7.6	8.4	8.4
<b>Gain:</b>				
\$0-\$100.....	8.4	50.4	31.5	20.7
\$100-\$200.....	4.5	38.3	45.3	35.2
\$200+.....	0.4	2.5	11.5	30.5
Average dollar change per case.....	67.27	90.36	107.86	141.04
Average percentage change.....	21.4	25.8	27.2	31.6

TABLE 3.—IMPACT OF CAPITAL PROSPECTIVE PAYMENT SYSTEM ON HOSPITALS PAID UNDER HOLD-HARMLESS METHODOLOGY

[Payment Change per (Dollars) Case Compared to 85 Percent of Reasonable Cost Reimbursement]

	FY 1992	FY 1993	FY 1994	FY 1995
<b>Scenario 1: No Change in New Capital Costs</b>				
Loss:				
\$200+ .....	5.8	12.4	19.3	31.8
\$100-\$200 .....	7.9	12.2	13.5	19.0
\$0-\$100 .....	62.4	55.1	47.5	30.9
Gain:				
\$0-\$100 .....	16.1	13.0	12.9	12.7
\$100-\$200 .....	6.2	5.6	4.5	4.0
\$200+ .....	1.5	1.6	2.3	1.6
Average dollar change per case .....	-28.89	-63.25	-96.13	-160.06
Average percentage change .....	-2.5	-5.0	-6.9	-10.3
<b>Scenario 2: 10 Percent Reduction in New Capital Costs Beginning in FY 1994</b>				
Loss:				
\$200+ .....	5.8	12.4	18.6	29.2
\$100-\$200 .....	7.9	12.2	12.8	18.4
\$0-\$100 .....	2.4	55.1	48.6	33.1
Gain:				
\$0-\$100 .....	16.1	13.0	13.1	13.1
\$100-\$200 .....	6.2	5.6	4.6	4.5
\$200+ .....	1.5	1.6	2.4	1.6
Average dollar change per case .....	-28.89	-63.25	-90.44	-145.06
Average percentage change .....	-2.5	-5.0	-6.6	-9.6
<b>Scenario 3: 20 Percent Reduction in New Capital Costs Beginning in FY 1994</b>				
Loss:				
\$200+ .....	5.8	12.4	17.3	27.0
\$100-\$200 .....	7.9	12.2	13.0	17.5
\$0-\$100 .....	62.4	55.1	48.8	34.7
Gain:				
\$0-\$100 .....	16.1	13.0	13.7	13.9
\$100-\$200 .....	6.2	5.6	4.8	5.0
\$200+ .....	1.5	1.6	2.3	1.8
Average dollar change per case .....	-28.89	-63.25	-84.69	-129.77
Average percentage change .....	-2.5	-5.0	-6.2	-8.9

TABLE 4 - ACTUAL CAPITAL COST PER CASE  
ADJUSTED FOR CAPITAL PAYMENT VARIABLES

- BY GEOGRAPHIC LOCATION

	NUMBER OF HOSPITALS <sup>1</sup>	AD- JUSTED COST PER CASE AVERAGE	HOSPITALS WITH ADJUSTED COST PER CASE BELOW THE NATIONAL AVERAGE			HOSPITALS WITH ADJUSTED COST PER CASE ABOVE THE NATIONAL AVERAGE			
			PERCENT DIFFERENCE FROM NATIONAL AVERAGE	PERCENT OF HOSPITALS	COST PER CASE AVERAGE	PERCENT DIFFERENCE FROM NATIONAL AVERAGE	PERCENT OF HOSPITALS	COST PER CASE AVERAGE	
ALL HOSPITALS	5,160	398	0.0	64.1	278	-30.2	35.9	583	46.5
LARGE URBAN AREAS (POPULATIONS OVER 1 MILLION)	1,383	405	1.7	52.9	278	-30.2	47.1	588	47.8
OTHER URBAN AREAS (POPULATIONS OF 1 MILLION OR FEWER)	1,345	407	2.4	56.6	288	-27.5	43.4	577	45.2
RURAL AREAS	2,432	356	-10.4	74.7	258	-35.2	25.3	580	45.9
URBAN HOSPITALS	2,728	406	2.0	54.7	282	-29.0	45.3	583	46.6
0 - 99 BEDS	605	436	9.7	61.5	253	-36.3	38.5	687	72.6
100-199 BEDS	801	463	16.4	45.8	279	-29.8	54.2	653	64.2
200-299 BEDS	608	421	5.9	51.8	288	-27.6	48.2	584	46.7
300-499 BEDS	526	377	-5.2	61.4	284	-28.5	38.6	544	36.7
500 OR MORE BEDS	186	383	-3.6	61.8	281	-29.3	38.2	548	37.8
RURAL HOSPITALS	2,432	356	-10.4	74.7	258	-35.2	25.3	580	45.9
0 - 49 BEDS	1,183	278	-30.2	81.5	212	-46.6	18.5	577	45.1
50- 99 BEDS	746	352	-11.5	70.8	250	-37.3	29.2	604	51.9
100- 149 BEDS	260	394	-0.9	65.4	282	-29.1	34.6	592	18.8
150- 199 BEDS	117	370	-7.1	65.8	266	-33.2	34.2	595	49.5
200 OR MORE BEDS	126	373	-6.1	61.9	281	-29.4	38.1	542	36.2
URBAN BY REGION									
NEW ENGLAND	169	305	-23.2	77.5	249	-37.4	22.5	491	23.3
MIDDLE ATLANTIC	419	384	-3.4	64.0	270	-32.1	36.0	566	42.4
SOUTH ATLANTIC	393	449	13.0	42.2	302	-24.1	57.8	588	47.9
EAST NORTH CENTRAL	461	377	-5.2	65.7	292	-26.5	34.3	568	42.8
EAST SOUTH CENTRAL	162	448	2.7	41.4	297	-25.3	58.6	595	49.7
WEST NORTH CENTRAL	180	401	0.8	55.6	292	-26.6	44.4	552	38.7
WEST SOUTH CENTRAL	341	524	31.7	30.2	307	-22.9	69.8	635	59.7
MOUNTAIN	100	431	8.4	45.0	294	-26.2	55.0	562	41.1
PACIFIC	464	373	-6.2	61.2	270	-32.1	38.8	598	50.4
PUERTO RICO	38	377	-5.3	65.8	247	-37.9	34.2	639	60.7

DD7

August 27, 1991

BFD-681-F

TABLE 4 - ACTUAL CAPITAL COST PER CASE  
ADJUSTED FOR CAPITAL PAYMENT VARIABLES

RURAL BY REGION	NUMBER OF HOSPITALS	AD- JUSTED COST PER CASE	HOSPITALS WITH ADJUSTED COST PER CASE BELOW THE NATIONAL AVERAGE			HOSPITALS WITH ADJUSTED COST PER CASE ABOVE THE NATIONAL AVERAGE			DIFFERENCE FROM NATIONAL AVERAGE
			PERCENT DIFFERENCE FROM NATIONAL AVERAGE	PERCENT OF HOSPITALS	COST PER CASE	PERCENT DIFFERENCE FROM NATIONAL AVERAGE	PERCENT OF HOSPITALS	COST PER CASE	
NEW ENGLAND	58	289	-27.4	82.8	235	-40.6	17.2	501	25.8
MIDDLE ATLANTIC	87	313	-21.4	80.5	255	-35.9	19.5	504	26.6
SOUTH ATLANTIC	327	375	-5.9	68.2	271	-31.9	31.8	573	44.0
EAST NORTH CENTRAL	341	330	-17.0	81.2	260	-34.7	18.8	579	45.6
EAST SOUTH CENTRAL	288	395	-0.6	65.3	260	-34.7	34.7	587	47.6
WEST NORTH CENTRAL	559	323	-18.9	83.2	249	-37.4	16.8	550	38.3
WEST SOUTH CENTRAL	386	399	0.4	67.1	247	-37.9	32.9	613	54.1
MOUNTAIN	233	383	-3.8	73.4	245	-38.3	26.6	657	65.2
PACIFIC	149	337	-15.2	75.2	272	-31.7	24.8	578	45.3
PUERTO RICO	4	278	-30.2	100.0	278	-30.2	0.0	0	0.0
BY PAYMENT CLASSIFICATION									
LARGE URBAN AREAS (POPULATIONS OVER 1 MILLION)	1,518	405	1.7	53.4	279	-30.0	46.6	586	47.3
OTHER URBAN AREAS (POPULATIONS OF 1 MILLION OR FEWER)	1,426	406	2.0	57.3	287	-27.9	42.7	578	45.3
RURAL AREAS	2,216	353	-11.3	75.9	257	-35.5	24.1	585	47.0
TEACHING STATUS									
NON-TEACHING	4,039	420	5.7	64.2	275	-31.0	35.8	602	51.4
RESIDENT/BED RATIO LESS THAN 0.25	928	378	-5.1	62.2	286	-28.2	37.8	547	37.6
RESIDENT/BED RATIO 0.25 OR GREATER	193	371	-6.9	71.5	266	-33.2	28.5	595	49.5

thx

TABLE 4 - ACTUAL CAPITAL COST PER CASE  
ADJUSTED FOR CAPITAL PAYMENT VARIABLES

OPERATING SYSTEM DISPROPORTIONATE SHARE HOSPITALS (DSH)	NUMBER OF HOSPITALS	HOSPITALS WITH ADJUSTED COST PER CASE BELOW THE NATIONAL AVERAGE			HOSPITALS WITH ADJUSTED COST PER CASE ABOVE THE NATIONAL AVERAGE		
		AD- JUSTED COST PER CASE	PERCENT DIFFERENCE FROM NATIONAL AVERAGE	PERCENT OF HOSPITALS	COST PER CASE	PERCENT OF HOSPITALS	DIFFERENCE FROM NATIONAL AVERAGE
NON-DSH	3,777	396	-0.5	66.3	276	33.7	586
URBAN DSH							47.3
100 BEDS OR MORE	1,052	402	1.1	54.6	282	45.4	578
FEWER THAN 100 BEDS	66	484	21.6	62.1	213	37.9	724
RURAL DSH							82.1
SOLE COMMUNITY HOSPITALS (SCH)	62	326	-18.0	74.2	252	25.8	526
RURAL REFERRAL CENTERS (RRC)							32.2
(INCLUDES HOSPITALS THAT ARE BOTH SCH AND RRC)	33	372	-6.4	51.5	280	48.5	503
OTHER RURAL DSH HOSPITALS	41	439	10.4	61.0	284	39.0	719
100 BEDS OR MORE	129	286	-28.0	78.3	200	21.7	570
FEWER THAN 100 BEDS							43.4
CAPITAL DSH							
URBAN NON-DSH	634	442	11.0	60.3	253	39.7	685
URBAN DSH							72.2
100 BEDS OR MORE	2,094	404	1.6	53.1	284	46.9	578
FEWER THAN 100 BEDS							45.3
OTHER SPECIAL STATUS							
NON SPECIAL STATUS RURAL HOSPITALS	1,007	338	-14.9	77.0	248	23.0	604
RRC	182	382	-4.0	61.5	285	38.5	540
SCH	486	355	-10.9	73.0	241	27.0	611
MEDICARE-DEPENDENT HOSPITALS (MDH)	496	312	-21.5	82.5	229	17.5	56.2
SCH AND RRC	45	363	-8.8	71.1	270	28.9	654
SCH OR MDH	1,027	343	-13.9	77.5	245	22.5	623
							58.6



BPD-681-F

August 27, 1991

DD9

TABLE 4 - ACTUAL CAPITAL COST PER CASE  
ADJUSTED FOR CAPITAL PAYMENT VARIABLES

HOSPITALS RECLASSIFIED BY THE MEDICARE GEOGRAPHIC CLASSIFICATION REVIEW BOARD	NUMBER OF HOSPITALS	AD- JUSTED COST PER CASE	HOSPITALS WITH ADJUSTED COST PER CASE BELOW THE NATIONAL AVERAGE			HOSPITALS WITH ADJUSTED COST PER CASE ABOVE THE NATIONAL AVERAGE		
			PERCENT DIFFERENCE FROM NATIONAL AVERAGE	PERCENT OF HOSPITALS	COST PER CASE	PERCENT DIFFERENCE FROM NATIONAL AVERAGE	PERCENT OF HOSPITALS	COST PER CASE
ALL RECLASSIFIED HOSPITALS	904	365	-8.4	67.9	273	-31.5	32.1	552
ALL NONRECLASSIFIED HOSPITALS	4,204	404	1.6	63.2	279	-29.9	36.8	588
ALL RECLASSIFIED URBAN HOSPITALS	196	366	-7.9	60.2	274	-31.2	39.8	543
ALL RECLASSIFIED RURAL HOSPITALS	708	363	-8.8	70.1	272	-31.7	29.9	560
OTHER RECLASSIFIED HOSPITALS (SECTION 1886(D)(8)(B))	52	351	-11.7	75.0	268	-32.6	25.0	532
TYPE OF OWNERSHIP								
VOLUNTARY	2,877	388	-2.3	65.5	281	-29.3	34.5	562
PROPRIETARY	788	527	32.4	37.3	304	-23.7	62.7	657
GOVERNMENT	1,433	335	-15.8	77.4	253	-36.3	22.6	561
MEDICARE UTILIZATION AS A PERCENT OF INPATIENT DAYS								
0 - 25	312	354	-11.0	62.8	235	-41.0	37.2	645
25 - 50	2,778	396	-0.4	62.4	282	-29.0	37.6	574
50 - 65	1,595	392	-1.4	68.0	275	-30.8	32.0	580
OVER 65	361	469	18.0	65.1	276	-30.6	34.9	622

1/ Data for this analysis is derived from hospital cost reports with reporting periods beginning in FY 1989. Analysis includes hospitals located in Puerto Rico.

August 23, 1991

DD10

TABLE 5 - CAPITAL PAYMENT SIMULATION BASED  
ON ALL HOSPITAL COMPARED TO ACTUAL COST PER CASE

	BY GEOGRAPHIC LOCATION	NUMBER OF HOSPITALS <sup>1</sup>	ACTUAL CAPITAL COST PER CASE	PERCENT CHANGE FROM ACTUAL COST PER CASE	
				UNADJUSTED FEDERAL RATE	ADJUSTED FEDERAL RATE
ALL HOSPITALS		5,117	568	0.0	0.0
LARGE URBAN AREAS (POPULATIONS OVER 1 MILLION)		1,357	671	-14.6	-0.2
OTHER URBAN AREAS (POPULATIONS OF 1 MILLION OR FEWER)		1,332	577	-2.1	-2.7
RURAL AREAS		2,428	370	52.2	7.7
URBAN HOSPITALS		2,689	625	-8.9	-1.3
0 - 99 BEDS		592	528	6.1	-12.5
100-199 BEDS		784	639	-10.3	-13.9
200-299 BEDS		602	626	-8.8	-5.2
300-499 BEDS		523	597	-4.6	6.4
500 OR MORE BEDS		186	690	-18.1	5.7

BPD-681-F

August 23, 1991

DD11

TABLE 5 - CAPITAL PAYMENT SIMULATION BASED  
ON ALL HOSPITAL COMPARED TO ACTUAL COST PER CASE

	NUMBER OF HOSPITALS	ACTUAL CAPITAL COST PER CASE	PERCENT CHANGE FROM ACTUAL COST PER CASE	
			UNADJUSTED FEDERAL RATE	ADJUSTED FEDERAL RATE
<u>RURAL HOSPITALS</u>				
0 - 49 BEDS	2,428	370	52.2	7.7
50 - 99 BEDS	1,182	246	126.4	34.4
100 - 149 BEDS	744	343	64.1	7.9
150 - 199 BEDS	259	423	34.0	-2.2
200 OR MORE BEDS	117	406	38.8	4.3
	126	448	26.3	5.3
<u>URBAN BY REGION</u>				
NEW ENGLAND	169	478	23.2	36.9
MIDDLE ATLANTIC	419	609	-8.6	5.6
SOUTH ATLANTIC	393	656	-15.0	-12.7
EAST NORTH CENTRAL	461	570	-2.5	2.0
EAST SOUTH CENTRAL	162	597	-7.7	-13.7
WEST NORTH CENTRAL	180	616	-1.8	4.6
WEST SOUTH CENTRAL	341	737	-21.6	-22.2
MOUNTAIN	100	678	-12.3	-5.1
PACIFIC	464	679	-12.8	8.5
PUERTO RICO	38	279	31.9	0.2

TABLE 5 - CAPITAL PAYMENT SIMULATION BASED  
ON ALL HOSPITAL COMPARED TO ACTUAL COST PER CASE

	NUMBER OF HOSPITALS	ACTUAL CAPITAL COST PER CASE	PERCENT CHANGE FROM ACTUAL COST PER CASE	
			UNADJUSTED FEDERAL RATE	ADJUSTED FEDERAL RATE
<u>RURAL BY REGION</u>				
NEW ENGLAND	58	347	62.7	34.4
MIDDLE ATLANTIC	87	353	57.5	25.4
SOUTH ATLANTIC	327	404	41.4	5.3
EAST NORTH CENTRAL	341	347	59.4	12.9
EAST SOUTH CENTRAL	288	371	48.5	-5.4
WEST NORTH CENTRAL	559	314	81.6	18.8
WEST SOUTH CENTRAL	386	382	48.0	-4.1
MOUNTAIN	233	422	35.3	0.8
PACIFIC	149	429	36.0	16.8
PUERTO RICO	4	172	109.4	30.4
<u>BY PAYMENT CLASSIFICATION</u>				
LARGE URBAN AREAS (POPULATIONS OVER 1 MILLION)	1,491	664	-13.7	-0.2
OTHER URBAN AREAS (POPULATIONS OF 1 MILLION OR FEWER)	1,414	567	-0.4	-2.7
RURAL AREAS	2,212	361	56.2	8.5

TABLE 5 - CAPITAL PAYMENT SIMULATION BASED  
ON ALL HOSPITAL COMPARED TO ACTUAL COST PER CASE

	NUMBER OF HOSPITALS	ACTUAL CAPITAL COST PER CASE	PERCENT CHANGE FROM ACTUAL COST PER CASE	
			UNADJUSTED FEDERAL RATE	ADJUSTED FEDERAL RATE
<u>TEACHING STATUS</u>				
NON-TEACHING	4,003	525	7.9	-6.6
RESIDENT/BED RATIO LESS THAN 0.25	921	585	-2.6	6.1
RESIDENT/BED RATIO 0.25 OR GREATER	193	782	-27.0	10.5
<u>OPERATING SYSTEM</u>				
<u>DISPROPORTIONATE SHARE</u>				
<u>HOSPITALS (DSH)</u>				
NON-DSH	3,738	534	6.9	0.3
URBAN DSH				
100 BEDS OR MORE	1,048	651	-13.4	-0.6
FEWER THAN 100 BEDS	66	523	8.8	-17.4
RURAL DSH				
SOLE COMMUNITY HOSPITALS (SCH)	62	303	85.4	15.9
RURAL REFERRAL CENTERS (RRC)				
(INCLUDES HOSPITALS THAT ARE BOTH SCH AND RRC)	33	419	35.0	5.1
OTHER RURAL DSH HOSPITALS				
100 BEDS OR MORE	41	414	32.1	-15.4
FEWER THAN 100 BEDS	129	240	119.1	23.4

August 23, 1991

DD14

TABLE 5 - CAPITAL PAYMENT SIMULATION BASED  
ON ALL HOSPITAL COMPARED TO ACTUAL COST PER CASE

	NUMBER OF HOSPITALS	ACTUAL CAPITAL COST PER CASE	PERCENT CHANGE FROM ACTUAL COST PER CASE	
			UNADJUSTED FEDERAL RATE	ADJUSTED FEDERAL RATE
<u>CAPITAL DSH</u>				
URBAN NON-DSH	621	536	5.1	-13.0
URBAN DSH				
100 BEDS OR MORE	2,068	631	-9.7	-0.7
<u>OTHER SPECIAL STATUS</u>				
NON SPECIAL STATUS RURAL HOSPITALS	1,003	322	72.7	10.9
RRC	182	446	27.4	1.8
SCH	486	350	61.2	8.1
MEDICARE-DEPENDENT HOSPITALS (MDH)	496	277	100.6	19.6
SCH AND RRC	45	437	35.5	13.0
SCH OR MDH	1,027	340	66.8	12.7

TABLE 5 - CAPITAL PAYMENT SIMULATION BASED  
ON ALL HOSPITAL COMPARED TO ACTUAL COST PER CASE

	NUMBER OF HOSPITALS	ACTUAL CAPITAL COST PER CASE	PERCENT CHANGE FROM ACTUAL COST PER CASE	
			UNADJUSTED FEDERAL RATE	ADJUSTED FEDERAL RATE
<u>HOSPITALS RECLASSIFIED BY THE MEDICARE GEOGRAPHIC CLASSIFICATION REVIEW BOARD</u>				
ALL RECLASSIFIED HOSPITALS	902	472	20.6	8.3
ALL NONRECLASSIFIED HOSPITALS	4,163	589	-3.6	-1.4
ALL RECLASSIFIED URBAN HOSPITALS	195	567	1.3	10.3
ALL RECLASSIFIED RURAL HOSPITALS	707	413	37.1	6.7
<u>OTHER RECLASSIFIED HOSPITALS (SECTION 1886(D)(8)(B))</u>				
	52	408	35.3	7.3
<u>TYPE OF OWNERSHIP</u>				
VOLUNTARY	2,863	570	-0.2	2.7
PROPRIETARY	763	711	-19.8	-24.3
GOVERNMENT	1,432	434	29.3	15.7
<u>MEDICARE UTILIZATION AS A PERCENT OF INPATIENT DAYS</u>				
0 - 25	308	618	-2.1	17.1
25 - 50	2,747	587	-2.6	1.3
50 - 65	1,592	510	9.6	-1.1
OVER 65	359	602	-9.3	-19.6

1. Data for this analysis is derived from hospital cost reports with cost reporting periods beginning in FY 1989. Hospitals located in Puerto Rico were included only in the rural and urban census division analysis.



August 27, 1991

DD16

TABLE 6 - CAPITAL PAYMENT SIMULATION BASED ON A SAMPLE OF HOSPITALS WITH COST REPORTS CONTAINING CAPITAL AGE AND FINANCING DATA FOR COST REPORTING PERIODS BEGINNING IN FY 1988 AND FY 1989

## B) GEOGRAPHIC LOCATION

	NUMBER OF HOSPITALS <sup>1</sup>	ACTUAL COST PER CASE	PERCENT CHANGE FROM ACTUAL COST PER CASE		STANDARDIZED COST PER CASE	PERCENT CHANGE FROM STANDARDIZED COST PER CASE	
			UNADJUSTED RATE	ADJUSTED FEDERAL RATE		UNADJUSTED RATE	ADJUSTED FEDERAL RATE
ALL HOSPITALS	4,027	546	-0.0	0.0	546	-0.0	-0.0
LARGE URBAN AREAS (POPULATIONS OVER 1 MILLION)	929	662	-17.2	-1.7	652	-15.9	-0.2
OTHER URBAN AREAS (POPULATIONS OF 1 MILLION OR FEWER)	1,019	558	-2.2	-1.8	563	-3.0	-2.6
RURAL AREAS	2,079	358	51.8	8.9	366	48.7	6.6
URBAN HOSPITALS	1,948	608	-10.1	-1.7	606	-9.7	-1.3
0 - 99 BEDS	428	476	12.8	-6.3	422	27.1	5.6
100-199 BEDS	564	604	-8.7	-11.5	547	0.9	-2.2
200-299 BEDS	435	618	-11.4	-6.6	621	-11.8	-7.1
300-499 BEDS	383	587	-6.6	5.2	610	-10.0	1.3
500 OR MORE BEDS	137	677	-20.1	3.4	692	-21.8	1.2
RURAL HOSPITALS	2,079	358	51.8	8.9	366	48.7	6.6
0 - 49 BEDS	1,015	237	126.5	36.9	264	103.5	23.0
50- 99 BEDS	647	330	64.5	10.4	332	63.4	9.6
100- 149 BEDS	217	419	30.7	-2.8	396	38.5	2.9
150- 199 BEDS	97	394	38.2	5.1	422	29.0	-2.0
200 OR MORE BEDS	103	441	24.9	5.4	455	20.8	2.0
URBAN BY REGION							
NEW ENGLAND	136	482	17.9	31.8	516	10.0	23.0
MIDDLE ATLANTIC	329	589	-8.8	6.1	585	-8.2	6.8
SOUTH ATLANTIC	271	652	-17.8	-15.3	610	-12.2	-9.5
EAST NORTH CENTRAL	351	540	-0.5	4.4	601	-10.7	-6.4
EAST SOUTH CENTRAL	117	588	-9.7	-16.6	556	-4.6	-11.9
WEST NORTH CENTRAL	135	612	-5.2	4.6	655	-11.5	-2.3
WEST SOUTH CENTRAL	242	722	-22.7	-22.1	628	-11.2	10.4
MOUNTAIN	58	617	-5.6	2.1	598	-2.7	5.3
PACIFIC	309	678	-18.3	3.8	679	-18.5	3.7
PUERTO RICO	25	235	39.2	4.4	233	40.2	5.2

DD17

August 27, 1991

BPD-681-F

TABLE 6 - CAPITAL PAYMENT SIMULATION BASED ON A SAMPLE OF HOSPITALS WITH COST REPORTS CONTAINING CAPITAL AGE AND FINANCING DATA FOR COST REPORTING PERIODS BEGINNING IN FY 1988 AND FY 1989

	NUMBER OF HOSPITALS	ACTUAL COST PER CASE	PERCENT CHANGE FROM ACTUAL COST PER CASE		STANDARDIZED COST PER CASE	PERCENT CHANGE FROM STANDARDIZED 2/ COST PER CASE	
			UNADJUSTED RATE	FEDERAL ADJUSTED RATE		UNADJUSTED RATE	FEDERAL ADJUSTED RATE
RURAL BY REGION							
NEW ENGLAND	52	325	67.3	41.1	366	48.4	25.2
MIDDLE ATLANTIC	70	356	51.1	21.3	403	33.5	7.2
SOUTH ATLANTIC	256	371	49.7	12.3	365	51.8	13.9
EAST NORTH CENTRAL	311	349	52.7	10.7	378	41.1	2.2
EAST SOUTH CENTRAL	231	354	51.0	-3.1	327	63.6	5.0
WEST NORTH CENTRAL	502	313	75.8	17.9	357	53.9	3.2
WEST SOUTH CENTRAL	337	375	45.4	-3.9	348	56.4	3.4
MOUNTAIN	192	406	34.6	-0.2	373	46.4	8.6
PACIFIC	128	439	28.0	10.7	461	21.9	5.5
PUERTO RICO	3	178	82.2	14.0	198	64.5	2.9
BY PAYMENT CLASSIFICATION							
LARGE URBAN AREAS (POPULATIONS OVER 1 MILLION)	1,038	649	-15.5	-1.0	643	-14.6	-0.0
OTHER URBAN AREAS (POPULATIONS OF 1 MILLION OR FEWER)	1,096	551	-1.1	-2.3	553	-1.4	-2.5
RURAL AREAS	1,893	349	55.8	9.6	359	51.7	6.7
TEACHING STATUS							
NON-TEACHING	3,224	499	9.6	-4.8	482	13.3	-1.5
RESIDENT/BED RATIO LESS THAN 0.25	682	583	-6.5	3.7	604	-9.8	0.0
RESIDENT/BED RATIO 0.25 OR GREATER	121	758	-27.5	11.8	789	-30.3	7.5

TABLE 6 - CAPITAL PAYMENT SIMULATION BASED ON A SAMPLE OF HOSPITALS WITH COST REPORTS CONTAINING CAPITAL AGE AND FINANCING DATA FOR COST REPORTING PERIODS BEGINNING IN FY 1988 AND FY 1989

	NUMBER OF HOSPITALS	ACTUAL COST PER CASE	PERCENT CHANGE FROM ACTUAL COST PER CASE		STANDARDIZED COST PER CASE	PERCENT CHANGE FROM STANDARDIZED 2/ COST PER CASE	
			UNADJUSTED FEDERAL RATE	ADJUSTED FEDERAL RATE		UNADJUSTED FEDERAL RATE	ADJUSTED FEDERAL RATE
OPERATING SYSTEM DISPROPORTIONATE SHARE HOSPITALS (DSH)							
NON-DSH	3,000	516	6.4	0.0	517	6.2	-0.2
URBAN DSH							
100 BEDS OR MORE	760	626	-13.3	-0.2	626	-13.4	-0.2
FEWER THAN 100 BEDS	48	449	20.6	-9.5	371	45.8	9.4
RURAL DSH	49	318	70.7	8.8	310	75.4	11.8
SOLE COMMUNITY HOSPITALS (SCH)							
RURAL REFERRAL CENTERS (RRC)	26	417	33.3	7.1	406	37.0	10.1
(INCLUDES HOSPITALS THAT ARE BOTH SCH AND RRC)							
OTHER RURAL DSH HOSPITALS	36	405	30.1	-14.6	365	44.2	-5.3
100 BEDS OR MORE	108	224	124.6	29.0	217	132.3	33.5
FEWER THAN 100 BEDS							
CAPITAL DSH							
URBAN NON-DSH	447	490	9.7	-8.5	426	26.2	5.3
URBAN DSH							
100 BEDS OR MORE	1,501	616	-11.1	-1.4	617	-11.3	-1.6
OTHER SPECIAL STATUS							
NON SPECIAL STATUS RURAL HOSPITALS							
RRC	856	312	72.2	13.0	314	71.0	12.2
SCH	148	430	28.1	3.1	445	23.7	-0.4
MEDICARE-DEPENDENT HOSPITALS (MDH)							
SCH AND RRC	418	348	56.8	6.1	355	53.9	4.2
SCH OR MDH	434	269	99.7	21.8	291	84.6	12.6
	37	448	27.6	9.8	463	23.5	6.4
	889	337	62.6	11.7	350	56.2	7.3

DD19

BFD-681-F August 27, 1991

TABLE 6 - CAPITAL PAYMENT SIMULATION BASED ON A SAMPLE OF HOSPITALS WITH COST REPORTS CONTAINING CAPITAL AGE AND FINANCING DATA FOR COST REPORTING PERIODS BEGINNING IN FY 1988 AND FY 1989

	NUMBER OF HOSPITALS <sup>1</sup>	ACTUAL COST PER CASE	PERCENT CHANGE FROM ACTUAL COST PER CASE		STANDARDIZED COST PER CASE	PERCENT CHANGE FROM STANDARDIZED 2/ COST PER CASE	
			UNADJUSTED FEDERAL RATE	ADJUSTED FEDERAL RATE		UNADJUSTED FEDERAL RATE	ADJUSTED FEDERAL RATE
<u>HOSPITALS RECLASSIFIED BY THE MEDICARE GEOGRAPHIC CLASSIFICATION REVIEW BOARD</u>							
ALL RECLASSIFIED HOSPITALS	755	445	23.2	10.6	461	19.0	5.8
ALL NONRECLASSIFIED HOSPITALS	3,228	570	-4.2	-1.9	566	-3.6	-1.2
ALL RECLASSIFIED URBAN HOSPITALS	147	522	5.0	14.4	560	-2.3	6.5
ALL RECLASSIFIED RURAL HOSPITALS	608	402	36.7	7.8	405	35.8	7.0
<u>OTHER RECLASSIFIED HOSPITALS (SECTION 1886(D)(8)(B))</u>							
	44	369	45.0	16.0	407	31.3	5.1
<u>TYPE OF OWNERSHIP</u>							
VOLUNTARY	2,307	556	-1.6	1.5	574	-4.6	-1.6
PROPRIETARY	458	686	-20.5	-25.5	527	3.5	-3.0
GOVERNMENT	1,230	421	28.9	13.9	431	25.7	11.1
<u>MEDICARE UTILIZATION AS A PERCENT OF INPATIENT DAYS</u>							
0 - 25	192	613	-11.5	5.1	575	-5.7	12.0
25 - 50	2,162	566	-2.9	1.4	569	-3.5	0.8
50 - 65	1,308	486	11.3	0.4	491	10.2	-0.7
OVER 65	285	588	-10.9	-21.6	553	-5.2	-16.6

1. Hospitals used in this simulation were selected on the basis of having included capital age and financing data in their cost reports for periods beginning in FY 1989.

2. Hospital average capital-related costs per case were standardized by the capital asset age and finance variables and by the inpatient occupancy rate.

BILLING CODE 4120-03-C

**List of Subjects****42 CFR Part 412**

Health facilities, Medicare, Reporting and recordkeeping requirements.

**42 CFR Part 413**

Health facilities, Kidney diseases, Medicare, Reporting and recordkeeping requirements.

42 CFR Chapter IV is amended as follows:

**CHAPTER IV—HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES, SUBCHAPTER B—MEDICARE PROGRAMS**

I. 42 CFR part 412 is amended as follows:

**PART 412—PROSPECTIVE PAYMENT SYSTEM FOR INPATIENT HOSPITAL SERVICES**

A. The authority citation for part 412 continues to read as follows:

**Authority:** Sections 1102, 1815(e), 1871, and 1886 of the Social Security Act (42 U.S.C. 1302, 1395g(e), 1395hh, and 1395ww).

B. Subpart F is amended as follows:

**Subpart F—Payment for Outlier Cases**

1. In § 412.80, the introductory text of paragraph (a)(1) is republished, and paragraph (a)(1)(ii) is revised to read as follows:

**§ 412.80 General provisions.**

(a) *Basic rule.* (1) Except as provided in paragraph (a)(2) of this section concerning transferring hospitals, HCFA provides for additional payment, approximating a hospital's marginal cost of care beyond thresholds specified by HCFA, to a hospital for covered inpatient hospital services furnished to a Medicare beneficiary if either of the following conditions is met:

(ii) The beneficiary's length of stay does not exceed criteria established under paragraph (a)(1)(i) of this section, but the hospital's charges for covered services furnished to the beneficiary, adjusted to operating costs and, effective with cost reporting periods beginning on or after October 1, 1991, capital costs, by applying cost-to-charge ratios as described in § 412.84(h), exceed the greater of the following:

(A) A fixed dollar amount (adjusted for area wage levels) as specified by HCFA.

(B) A fixed multiple of the Federal operating rate and, effective with cost reporting periods beginning on or after October 1, 1991, Federal capital prospective rate as determined under § 412.308.

2. In § 412.84, paragraphs (g), (h), and (j) are revised to read as follows:

**§ 412.84 Payment for extraordinarily high-cost cases (cost outlier).**

(g) The intermediary bases the operating and capital costs of the discharge on the billed charges for covered inpatient services adjusted by the cost to charge ratios applicable to operating and capital costs, respectively, as described in paragraph (h) of this section. The costs are adjusted further to exclude an estimate of indirect medical education costs and payments for hospitals that service a disproportionate share of low-income patients.

(h) The operating cost-to-charge ratio and, effective with cost reporting periods beginning on or after October 1, 1991, the capital cost-to-charge ratio used to adjust covered charges are computed annually by the intermediary for each hospital based on the latest available settled cost report for that hospital and charge data for the same time period as that covered by the cost report. Statewide cost-to-charge ratios are used in those instances in which a hospital's operating or capital cost-to-charge ratios fall outside reasonable parameters. HCFA sets forth these parameters and the statewide cost-to-charge ratios in each year's annual notice of prospective payment rates published under § 412.8(b).

(j) Except as provided in paragraph (k) of this section, the additional amount is derived by first taking 75 percent of the difference between the hospital's adjusted operating cost for the discharge (as determined under paragraph (g) of this section) and the operating threshold criteria established under § 412.80(a)(1)(ii); 75 percent is also taken of the difference between the hospital's adjusted capital cost for the discharge (as determined under paragraph (g) of this section) and the capital threshold criteria established under § 412.80(a)(1)(ii). The resulting capital amount is then multiplied by the applicable Federal portion of the payment as determined in § 412.340(a) or § 412.344(a).

C. Subpart H is amended as follows:

**Subpart H—Payments to Hospitals under the Prospective Payment System**

1. Section 412.112 is revised to read as follows:

**§ 412.112 Payments determined on a per case basis.**

A hospital will be paid on a per case basis the following amounts:

(a) The appropriate prospective payment rate for operating costs for each discharge as determined in accordance with subparts D, E, and G of this part.

(b) Effective for cost reporting periods beginning on or after October 1, 1991, the appropriate prospective payment rate for capital-related costs for each discharge as determined in accordance with Subpart M of this part.

(c) The appropriate outlier payment amounts determined under subpart F of this part.

2. In § 412.113, the section heading is revised; paragraph (a)(1) and introductory paragraph (a)(2)(i) are revised; and new paragraphs (a)(2)(i)(D), (a)(2)(i)(E) and (a)(3) are added to read as follows:

**§ 412.113 Other payments.**

(a) *Capital-related costs—*(1) *Payment.* Subject to the reductions described in paragraph (a)(2) of this section, payment for capital-related costs (as described in § 413.130 of this chapter) for cost reporting periods beginning before October 1, 1991 is determined on a reasonable cost basis.

(2) *Reduction to capital-related payments.* (i) Except for sole community hospitals as defined in § 412.92, the amount of capital-related payments for cost-reporting periods beginning before October 1, 1991 (including a return on equity capital as provided under § 413.157 of this chapter) is reduced by—

(D) Fifteen percent for payments attributable to portions of cost-reporting periods or discharges (as the case may be) occurring on or after January 1, 1990 and ending on or before September 30, 1991.

(E) Ten percent for payments attributable to portions of cost-reporting periods occurring on or after October 1, 1991 and before the beginning of the hospital's first cost-reporting period beginning on or after October 1, 1991.

(3) For cost-reporting periods beginning on or after October 1, 1991, a hospital is paid a hold-harmless payment for old capital determined in accordance with Subpart M of this part.

3. Section 412.115 is amended by removing paragraph (b); and redesignating paragraph (c) as paragraph (b).

4. In § 412.116, paragraph (a), first sentence; paragraph (b)(3)(ii); and paragraph (c), first and second sentences are revised to read as follows:

**§ 412.116 Method of payment.**

(a) *General rule.* Unless the provisions of paragraphs (b) and (c) of this section apply, hospitals are paid for hospital inpatient operating costs and capital-related costs for each discharge based on the submission of a discharge bill.

(b) *Periodic interim payments.*

(3) *Amount of payment.*

(ii) For purposes of determining periodic interim payments under this paragraph, a hospital's estimated average prospective payment amount is computed as follows:

(A) If a hospital has no payment experience under the prospective payment system for operating costs, the intermediary computes the hospital's estimated average prospective payment amount for operating costs by multiplying its payment rates as determined under § 412.70(c), but without adjustment by a DRG weighting factor, by the hospital's case-mix index, and subtracting from this amount estimated deductibles and coinsurance.

(B) Effective for cost-reporting periods beginning on or after October 1, 1991, the intermediary computes a hospital's estimated average prospective payment amount for capital-related costs by multiplying its prospective payment rate as determined under § 412.340 or § 412.344(a), as applicable, but without adjustment by a DRG weighting factor, by the hospital's case mix. The intermediary may take into account estimated additional payments per discharge under § 412.348. If the hospital is paid under § 412.344(a)(1), the intermediary includes an estimated payment for old capital costs per discharge.

(C) If a hospital has payment experience under the prospective payment system for operating costs, the intermediary computes a hospital's estimated average prospective payment amount for operating costs based on that payment experience, adjusted for projected changes, and subtracts from this amount estimated deductibles and coinsurance.

(c) *Special interim payments for certain costs.* For capital-related costs for cost-reporting periods beginning before October 1, 1991 and the direct costs of medical education, which are not included in prospective payments

but are reimbursed as specified in §§ 413.130 and 413.85 of this chapter, respectively, interim payments are made subject to final cost settlement. Interim payments for capital-related items for cost-reporting periods beginning before October 1, 1991 and the estimated cost of approved medical education programs (applicable to inpatient costs payable under Medicare Part A and for kidney acquisition costs in hospitals approved as renal transplantation centers) are determined by estimating the reimbursable amount for the year based on the previous year's experience and on substantiated information for the current year and divided into 26 equal biweekly payments.

5. In § 412.125, the section heading is revised; the introductory text to the section is republished; and the introductory text to paragraph (a) and paragraph (b) are revised to read as follows:

**§ 412.125 Effect of change of ownership on payments under the prospective payment systems.**

When a hospital's ownership changes, as described in § 489.18 of this chapter, the following rules apply:

(a) Payment for the operating and capital-related costs of inpatient hospital services for each patient, including outlier payments, as provided in § 412.112, and payments for hemophilia clotting factor costs under § 412.115(b), are made to the entity that is the legal owner on the date of discharge. Payments are not prorated between the buyer and seller.

(b) Other payments under § 412.113 and payments for bad debts as described in § 412.115(a), are made to each owner or operator of the hospital (buyer and seller) in accordance with the principles of reasonable cost reimbursement.

D. A new subpart M consisting of §§ 412.300–412.374 is added to read as follows:

**Subpart M—Prospective Payment System for Inpatient Hospital Capital Costs**

**General Provisions**

**Sec.**

- 412.300 Scope of subpart and definition.
- 412.302 Introduction to capital costs.
- 412.304 Implementation of the capital prospective payment system.

**Basic Methodology for Determining the Federal Rate for Capital-Related Costs**

- 412.308 Determining and updating the Federal rate.
- 412.312 Payment based on the Federal rate.
- 412.316 Geographic adjustment factor.

412.320 Disproportionate share adjustment factor.

412.322 Indirect Medical education adjustment factor.

**Determination of Transition Period Payment Rates for Capital-Related Costs**

- 412.324 General description.
- 412.328 Determining and updating the hospital-specific rate.
- 412.332 Payment based on the hospital-specific rate.
- 412.336 Transition period payment methodologies.
- 412.340 Fully prospective payment methodology.
- 412.344 Hold-harmless payment methodology.
- 412.348 Exception payments during transition period.
- 412.352 Budget neutrality adjustment.

**Special Rules for Puerto Rico Hospitals**

- 412.370 General provisions for hospitals located in Puerto Rico.
- 412.374 Payments to hospitals located in Puerto Rico.

**Subpart M—Prospective Payment System for Inpatient Hospital Capital Costs**

**General Provisions**

**§ 412.300 Scope of subpart and definition.**

(a) *Purpose.* This subpart implements section 1886(g)(1)(A) of the Act by establishing a prospective payment system for inpatient hospital capital-related costs. Under this system, payment is made on the basis described in § 412.304 through § 412.374 for inpatient hospital capital-related costs furnished by hospitals subject to the prospective payment system under subpart B of this part.

(b) *Definition.* For purposes of this subpart, the following definition applies:

*New hospital* means a hospital that has operated (under previous or present ownership) for less than 2 years and does not have a 12-month cost reporting period ending on or before December 31, 1990, or a combination of cost reporting periods ending on or before December 31, 1990 that covers at least 12 months.

**§ 412.302 Introduction to capital costs.**

(a) *New capital costs.* New capital costs are allowable Medicare inpatient hospital capital-related costs under subpart G of part 413 of this chapter when they are capital costs that are related to assets that were first put in use for patient care after December 31, 1990 (except for such costs deemed to be old capital based on prior obligations as described in paragraph (c) of this section) and those allowable capital-related costs related to assets in use prior to December 31, 1990 that are excluded from the definition of old

capital costs described in paragraphs (b) (2) through (5) of this section, or are betterment or improvement costs related to those old capital assets.

(b) *Old capital costs.* Except as provided in paragraph (c) of this section with respect to capital obligations that qualify for recognition as old capital, old capital costs are allowable capital-related costs for land and depreciable assets that were put in use for patient care on or before December 31, 1990. Old capital costs include the following:

(1) Allowable depreciation on assets based on the useful life guidelines used to determine depreciation expense in the hospital's base period.

(2) Allowable capital-related interest expense. Except as provided below, the amount of allowable capital-related interest expense that will be recognized as old capital is limited to the amount the hospital was legally obligated to pay as of December 31, 1990. Any allowable interest expense in excess of this limitation will be recognized as new capital.

(i) An increase in interest expense is recognized if the increase is due to periodic fluctuations of rates in variable interest rate loans or at the time of conversion from a variable rate loan to a fixed rate loan when no other changes in the terms of the loan are made.

(ii) If the terms of a debt instrument are revised after December 31, 1990, the amount of interest that will be recognized as old capital during the transition cannot exceed the amount that would have been recognized during the same period prior to the revision of the debt instrument.

(iii) If short-term financing was used to acquire old capital assets and the debt is extended or "rolled-over", a portion of the extended debt will be recognized as old capital. The portion will equal the ratio of the net book value as of the beginning of the applicable cost reporting period for depreciable assets that were in use in the base year, to the net book value as of the beginning of the base year cost reporting period for those assets. The net book value for the base year will not be adjusted to exclude assets that have been fully depreciated or removed from service since the base year. If the debt is related to specific assets, the ratio will be determined based on the values for those assets. The ratio will exclude assets that were acquired with other identifiable debt instruments. For purposes of this paragraph, short term financing is a debt that becomes due in no later than the earlier of 5 years or half of the average useful life of the assets to which the debt is related.

(iv) If old capital indebtedness is commingled with new capital debt, the allowable interest expense will be apportioned to old capital costs based on the ratio of the portion of the loan principal related to old capital indebtedness to the total loan principal.

(v) Investment income, excluding income from funded depreciation accounts, is used to reduce old capital interest expense based on the ratio of total old capital interest expense to total allowable interest expense in each cost reporting period.

(3) Allowable capital-related lease and rental costs for land and depreciable assets that were obligated as of December 31, 1990.

(i) Lease renewals up to the annual lease payment level obligated as of December 31, 1990 are recognized provided the same asset remains in use, the asset has a useful life of at least 3 years, and the annual lease payment is \$1000 or more for each item or service.

(ii) If a hospital-owned asset is sold or given to another party and that same asset is then leased back by the hospital, the amount of allowable capital-related costs recognized as old capital costs is limited to the amount allowed for that asset in the last cost reporting period that it was owned by the hospital.

(4) The portion of allowable costs for other capital-related expenses (including but not limited to, taxes, insurance, license and royalty fees on depreciable assets) resulting from applying the ratio of the hospital's gross old asset value to total asset value in each cost reporting period.

(5) The appropriate portion of the capital-related costs of related organizations under § 413.17 that would be recognized as old capital costs if these costs had been incurred directly by the hospital.

(6) Obligated capital costs that are recognized as old capital costs in accordance with paragraph (c) of this section.

(c) *Obligated capital costs—(1) General rule.* Under the conditions described below, capital-related costs attributable to assets that are put in use after December 31, 1990 may be recognized as old capital costs. Any allowable capital-related costs for these assets that are not recognized as old capital costs are recognized as new capital costs.

(i) *Fixed assets.* The costs of capital-related items and services defined in subpart G of part 413 for which there was a contractual obligation entered into by a hospital or related party with an outside, unrelated party for the construction, reconstruction, lease,

rental, or financing of a fixed asset may be recognized as old capital costs if all the following conditions are met:

(A) The obligation must arise from a binding written agreement that was executed on or before December 31, 1990 and that obligates the hospital on or before December 31, 1990.

(B) The capital asset must be put in use for patient care before October 1, 1994 except as provided in paragraph (c)(1)(iv) of this section.

(C) The hospital notifies the intermediary of the existence of obligated capital costs as provided in paragraph (c)(1)(v) of this section.

(D) The amount that is recognized as old capital cost is limited to lesser of the actual allowable costs when the asset is put in use or the estimated costs of the capital expenditure at the time it was obligated as provided in paragraph (c)(1)(vi) of this section.

(ii) *Moveable equipment.* Moveable equipment is recognized as old capital only if all of the conditions specified in paragraph (c)(1)(i) (A) through (D) of this section are met and one of the following conditions is met:

(A) There was a binding contractual agreement for the lease or purchase of the item of equipment on or before December 31, 1990.

(B) There was a binding contractual agreement for financing the acquisition of the equipment prior to January 1, 1991, the item of equipment costs at least \$100,000, and the item was specifically listed in an equipment purchase plan approved by the Board of Directors on or before December 31, 1990.

(iii) *Agreements not recognized.* Agreements for planning, design or feasibility that do not commit the hospital to undertake a project are not recognized as obligating capital expenditures for purposes of this subsection.

(iv) *Extension of deadline.* HCFA may extend the deadline in paragraph (c)(1)(i)(B) of this section, under which an asset must be put in use for patient care before October 1, 1994, to no later than September 30, 1996 for extraordinary circumstances beyond the hospital's control. Extraordinary circumstances include, but are not limited to, a construction strike or atypically severe weather that significantly delayed completion of a construction project. Normal construction delays do not constitute extraordinary circumstances.

(v) *Notification to intermediary.* The hospital must submit to its intermediary within 90 days after the start of the hospital's first cost reporting period



beginning on or after October 1, 1991 the binding agreement and supporting documents that relate to the obligated capital expenditure. This documentation must provide a project description (including details of any phased construction or financing) and an estimate of costs that were made no later than December 31, 1990.

(vi) *Cost limitation—(A) Leases, Rentals or Purchases.* The amount of obligated capital costs recognized as old capital costs cannot exceed the amount specified in the lease, rental, or purchase agreement. If moveable equipment is recognized as old capital under paragraph (c)(1)(ii)(B) of this section, the amount recognized as old capital costs cannot exceed the estimated cost identified in the equipment purchase plan approved by the hospital's Board of Directors.

(B) *Construction Contracts.* The amount of obligated capital costs recognized as old capital costs cannot exceed the estimated construction costs for the project as of December 31, 1990. Additional costs will be recognized as old capital costs only if the additional costs are directly attributable to changes in life safety codes or other building requirements established by government ordinance that occurred after the project was obligated.

(C) *Financing costs.* The amount of obligated interest expense that will be recognized as old capital costs cannot exceed the amount for which the hospital was legally obligated as of December 31, 1990 or, in the case of financing that is arranged after December 31, 1990 for a capital acquisition that was legally obligated as of December 31, 1990, the amount specified in a detailed financing plan approved by the hospital's Board of Directors prior to January 1, 1991.

(vii) *Determining old capital costs.* (A) The intermediary determines whether the applicable criteria are met for recognition of obligated capital costs as old capital costs and the maximum allowable cost that will be recognized as old capital costs.

(B) The intermediary advises the hospital of its determination before the close of the hospital's first 12-month cost reporting period under the capital prospective payment system. The intermediary's determination is contingent on the asset being put into patient use by the applicable date determined under this section.

(C) The actual amount that will be recognized as old capital costs is based on the lesser of the allowable costs for the asset when it is put into patient use or the amounts determined under paragraph (c)(1)(vi) of this section.

(viii) *Multi-phase project.* If the hospital has a multi-phase capital project, the provisions of paragraphs (c)(1)(i) through (vii) of this section apply independently to each phase of the project.

(2) *Lengthy certificate-of-need process.* (i) If a hospital does not meet the criteria under paragraph (c)(1)(i) or paragraph (c)(1)(ii) of this section, but meets all of the following criteria, the estimated cost for the project as of December 31, 1990 may be recognized as old capital costs:

(A) The hospital is required under State law to obtain preapproval of the capital project or acquisition by a designated State or local planning authority in the State in which it is located.

(B) The hospital filed an initial application for a certificate of need on or before December 31, 1989 that includes a detailed description of the project and its estimated cost and had not received approval or disapproval on or before September 30, 1990;

(C) The hospital expended the lesser of \$750,000 or 10 percent of the estimated cost of the project on or before December 31, 1990; and

(D) The hospital put the asset into patient use on or before the earlier of September 30, 1996 or 4 years from the date the certificate of need was approved.

(ii) The provisions of paragraphs (c)(1)(iv) through (viii) of this section apply to projects that meet the criteria in paragraph (c)(2)(i) of this section.

(3) *Construction in process.* (i) If a hospital that initiates construction on a capital project does not meet the requirements of paragraphs (c)(1)(i) or (ii) or (c)(2)(i) of this section, the project costs may be recognized as old capital costs if all the following conditions are met:

(A) The hospital received any required certificate of need approval on or before December 31, 1990.

(B) The hospital's Board of Directors formally authorized the project with a detailed description of its scope and costs on or before December 31, 1990.

(C) The estimated cost of the project as of December 31, 1990 exceeds 5 percent of the hospital's total patient revenues during its base year.

(D) The capitalized cost that had been incurred for the project as of December 31, 1990 exceeded the lesser of \$750,000 or 10 percent of the estimated project cost.

(E) The hospital began actual construction or renovation ("groundbreaking") on or before March 31, 1991.

(F) The project is completed before October 1, 1994.

(ii) The provisions of paragraphs (c)(1)(iv) through (viii) of this section apply to projects that meet the criteria in paragraph (c)(3)(i) of this section.

(d) *Consistency in Cost Reporting—(1) General Rule.* For cost reporting periods beginning on or after October 1, 1991 and before October 1, 2001, the hospital must follow consistent cost finding methods for classifying and allocating capital-related costs.

(2) *Old Capital Costs.* Unless there is a change of ownership, the hospital must continue the same cost finding methods for old capital costs, including its practices for the direct assignment of capital-related costs and its cost allocation bases, that was in effect in the hospital's last cost reporting period ending on or before October 1, 1991. If there is a change of ownership, the new owners may request that the intermediary approve a change in order to be consistent with their established cost finding practices.

(3) *New Capital Costs.* If a hospital desires to change its cost finding method for new capital costs, the request for change must be made in writing to the intermediary prior to the beginning of the cost reporting period for which the change is to apply. The request must include justification as to why the change will result in more accurate and more appropriate cost finding. The intermediary will not approve the change unless it determines that there is reasonable justification for the change.

#### **§ 412.304 Implementation of the capital prospective payment system.**

(a) *General rule.* As described in §§ 412.312 through 412.370, effective with cost reporting periods beginning on or after October 1, 1991, HCFA pays an amount determined under the capital prospective payment system for each inpatient hospital discharge as defined in § 412.4. This amount is in addition to the amount payable under the prospective payment system for inpatient hospital operating costs as determined under § 412.63.

(b) *Cost reporting periods beginning on or after October 1, 1991 and before October 1, 2001.* For cost reporting periods beginning on or after October 1, 1991 and before October 1, 2001, the capital payment amount is based on either a combination of payments for old capital costs and new capital costs or a fully prospective rate, as determined under § 412.324 through § 412.348.

(c) *Cost reporting periods beginning on or after October 1, 2001.* For cost reporting periods beginning on or after

October 1, 2001, the capital payment amount is based solely on the Federal rate determined under paragraphs (a) and (b) of § 412.308 and updated under paragraph (c) of § 412.308.

(d) *Interim payments.* Interim payments are made to the hospital as provided in § 412.116.

### Basic Methodology for Determining the Federal Rate for Capital-Related Costs

#### § 412.308 Determining and updating the Federal rate.

(a) *FY 1992 national average cost per discharge.* HCFA determines the FY 1992 estimated national average cost per discharge by updating the discharge weighted national average Medicare inpatient hospital capital-related cost per discharge for FY 1989 by the estimated increase in Medicare inpatient hospital capital costs per discharge.

(b) *Standard Federal rate.* HCFA determines the standard Federal rate by adjusting the FY 1992 updated national average cost per discharge by a factor so that estimated aggregate payments based on the standard Federal rate adjusted by the payment adjustments described in § 412.312(b) equal estimated aggregate payments based solely on the national average cost per discharge.

(c) *The Federal rate.* HCFA determines the Federal rate each year by adjusting the standard Federal rate by the following factors.

(1) *Update factor.* After FY 1992, HCFA updates the standard Federal rate as follows:

(i) *FY 1993 through FY 1995.* For FY 1993 through FY 1995, the standard Federal rate is updated based on a moving two-year average of actual increases in capital-related costs per discharge for the period three and four years before the fiscal year in question, excluding the portion of the increase attributable to changes in case mix.

(ii) *Effective FY 1996.* Effective FY 1996, the standard Federal rate is updated based on an analytical framework that considers increases in the capital market basket, appropriate changes in capital requirements resulting from new technology, and other factors.

(2) *Outlier payment adjustment factor.* HCFA reduces the updated standard Federal rate by an adjustment factor equal to the estimated additional payments under the Federal rate for outlier cases under subpart F of this part, determined as a proportion of total capital payments under the Federal rate.

(3) *Exceptions payment adjustment factor.* For FY 1992 through FY 2001,

HCFA reduces the updated standard Federal rate by an adjustment factor equal to the estimated additional payments for exceptions under § 412.348 determined as a proportion of total payments under the hospital-specific rate and Federal rate.

(4) *Budget neutrality adjustment factor.* (i) For FY 1992 through FY 1995, HCFA adjusts the updated standard Federal rate by a budget neutrality factor determined under § 412.352.

(ii) HCFA makes an adjustment to the Federal rate so that estimated aggregate payments for the fiscal year based on the Federal rate after any changes resulting from the annual reclassification and recalibration of the DRG weight in accordance with § 412.60(e) and in the geographic adjustment factor described in § 412.312(b)(2) equal estimated aggregate payments based on the Federal rate that would have been made without such changes.

#### § 412.312 Payment based on the Federal rate.

(a) *General.* The payment amount for each discharge based on the Federal rate determined under § 412.308(c) is determined under the following formula: [Federal rate X DRG weight X Geographic adjustment factor X Large urban add-on X (1 + Capital disproportionate share adjustment factor + capital indirect medical education adjustment factor) X (for hospitals located in Alaska and Hawaii, a cost-of-living adjustment factor)] + (Any applicable outlier payment).

(b) *Payment adjustments—(1) DRG weights.* The relative resource requirements of the discharge are taken into account by applying the DRG weighting factor that is assigned to the discharge under § 412.60.

(2) *Geographic adjustment factors—(i) Local cost variation.* A geographic adjustment factor is applied that takes into account geographic variation in costs.

(ii) *Large urban add-on.* An additional adjustment is made for hospitals located in a large urban area to reflect the higher costs incurred by hospitals located in those areas.

(iii) *Cost-of-living adjustment.* An additional adjustment is made for hospitals located in Alaska and Hawaii to account for the higher cost-of-living in those States.

(3) *Disproportionate share adjustment.* For hospitals with at least 100 beds located in an urban area and serving low-income patients, a disproportionate share adjustment factor is applied that reflects the higher

costs attributable to furnishing services to low income patients.

(4) *Indirect medical education adjustment.* An additional adjustment is made based on the ratio of residents to the average daily patient census of the hospital to account for the indirect costs of medical education.

(c) *Additional payment for outlier cases.* Payment is made for day outlier cases as provided for in § 412.82 and for cost outlier cases if both capital-related and operating-related costs exceed the cost outlier threshold as provided for in § 412.84.

(d) *Payment for transfer cases.* Payment is made for transfer cases as provided for in § 412.4.

#### § 412.316 Geographic adjustment factors.

(a) *Local cost variation.* HCFA adjusts for local cost variation based on the hospital wage index value that is applicable to the hospital under § 412.63(k). The adjustment factor equals the hospital wage index value applicable to the hospital raised to the .6848 power and is applied to 100 percent of the Federal rate.

(b) *Large urban location.* HCFA provides an additional payment to a hospital located, for purposes of receiving payment under § 412.63(a), in a large urban area equal to 3.0 percent of what would otherwise be payable to the hospital based on the Federal rate.

(c) *Cost-of-living adjustment.* HCFA provides an additional payment to a hospital located in Alaska and Hawaii equal to [.3152 X (the cost-of-living adjustment factor used to determine payments under § 412.115 - 1)] percent.

#### § 412.320 Disproportionate share adjustment factor.

(a) *Criteria for classification.* A hospital is classified as a "disproportionate share hospital" for the purposes of capital prospective payments if the hospital is located, for purposes of receiving payment under § 412.63(a), in an urban area, has 100 or more beds as determined in accordance with § 412.105(b) and serves low-income patients, as determined under § 412.106(b), or if the hospital meets the criteria in § 412.106(c)(2).

(b) *Payment adjustment factor.*

(1) If a hospital meets the criteria in paragraph (a) of this section for a disproportionate share hospital for purposes of capital prospective payments, the disproportionate share payment adjustment factor equals [e raised to the power of (.2025 X the hospital's disproportionate patient percentage as determined under

§ 412.106(b)(5)), -1], where *e* is the natural antilog of 1.

(2) If a hospital meets the criteria in § 412.106(c)(2) for purposes of inpatient hospital operating prospective payments, the disproportionate share adjustment factor equals 14.16 percent.

**§ 412.322 Indirect medical education adjustment factor.**

(a) *Basic data.* HCFA determines the following for each hospital:

(1) The hospital's number of full-time equivalent residents as determined under § 412.105(g).

(2) The hospital's average daily census is determined by dividing the total number of inpatient days in the acute inpatient area of the hospital by the number of days in the cost reporting period.

(3) The measurement of teaching activity is the ratio of the hospital's full-time equivalent residents to average daily census.

(b) *Payment adjustment factor.* The indirect teaching adjustment factor equals  $[e \text{ (raised to the power of } .2822 \times \text{the ratio of residents to average daily census)} - 1]$ .

**Determination of Transition Period Payment Rates for Capital-Related Costs**

**§ 412.324 General description.**

(a) *Hospitals under Medicare in FY 1991.* During the ten-year transition period, payments to a hospital with a hospital-specific rate below the Federal rate are based on the fully prospective payment methodology under § 412.340 or for a hospital with a hospital-specific rate above the Federal rate, the hold-harmless payment methodology under § 412.344.

(b) *New hospitals.* (1) A new hospital, as defined under § 412.300(b), is paid 85 percent of its allowable Medicare inpatient hospital capital-related costs through its cost reporting period ending at least 2 years after the hospital accepts its first patient.

(2) For the third year through the remainder of the transition period, the hospital is paid based on the fully prospective payment methodology or the hold harmless payment methodology using the base period determined under § 412.328(a)(3).

(3) If the hospital is paid under the hold-harmless methodology described in § 412.344, the hold-harmless payment for old capital described in § 412.344(a)(a) is payable for up to and including 8 years and may continue beyond the first cost reporting period beginning on or after October 1, 2000.

(c) *Hospitals with 52-53 week fiscal years ending September 25 through September 29.* For purposes of this

subpart, a hospital with a 52-53 week fiscal year period beginning September 26 through September 30, 1992 is deemed to have the same beginning date for all cost reporting periods beginning before October 1, 2000 (unless the hospital later changes its cost reporting period).

**§ 412.328 Determining and updating the hospital-specific rate.**

(a) *Base-year cost reporting period—*

(1) *Last 12 month cost reporting period ending on or before December 31, 1990.* For each hospital, the intermediary uses the hospital's latest 12-month or longer cost reporting period ending on or before December 31, 1990 as the base period to determine a hospital's hospital-specific rate.

(2) *New hospitals.* The base-year cost reporting period for a new hospital is its 12-month cost reporting period (or a combination of cost reporting periods covering at least 12 months) that begins at least 1 year after the hospital accepts its first patient.

(b) *Base-year costs per discharge—*(1) *Base period allowable inpatient capital costs per discharge—*(i) *Determination.* The intermediary determines the base period allowable inpatient capital costs per discharge for the hospital by dividing the hospital's total allowable Medicare inpatient hospital capital-related cost in the base period by the number of Medicare discharges in the base period.

(ii) *Disposal of assets in the base year.* When a depreciable asset has been disposed of in the base year, only that portion of the gain or loss that is allocated to the base-year cost reporting period is reflected in the hospital-specific rate.

(iii) *Disposal of assets subsequent to the base year.* If an asset for which the Medicare program had recognized depreciation during the base year is disposed of subsequent to the base year, the hospital-specific rate will not be revised to recognize the portion of the gain or loss allocated to the base year.

(2) *Discharges.* For the purpose of determining a hospital's base period capital costs per discharge, a discharge includes discharges defined in § 412.4(a) and transfers defined in § 412.4(b), adjusted by the transfer adjustment factor that is determined under paragraph (b)(3) of this section.

(3) *Transfer adjustment factor.* HCFA uses the base year MEDPAR data received as of June 30, 1991 to develop an adjustment to discharges to account for transfers. HCFA divides the length of stay for each transfer case by the geometric mean length of stay for the DRG (but in no case using a number greater than 1.0) and assigns each

nontransfer case a value of 1.0. To determine the transfer adjustment factor, HCFA adds together the adjusted discharges and divides the result by total discharges, including transfers.

(c) *Case-mix adjustment—*(1) *Determining transfer-adjusted case mix value.* Step 1: HCFA uses the base year MEDPAR data received as of June 30, 1991 to determine the hospital's transfer-adjusted case-mix value. HCFA multiplies the DRG weight for each case by one of the following factors:

(i) If the case is not a transfer, the factor equals 1.0.

(ii) If the case is a transfer, the factor equals the lesser of 1.0 or the ratio of the length of stay for the case divided by the geometric mean length of stay for the DRG.

Step 2: The products derived for all cases under Step 1 are added together and the result is divided by the transfer adjustment factor determined under paragraph (b)(3) of this section.

(2) *Adjusting base period capital costs per discharge by the hospital's transfer-adjusted case-mix value.* The intermediary divides the base period capital costs per discharge for each hospital as determined in paragraph (b) of this section by the hospital's transfer-adjusted case mix value for the cost reporting period determined under paragraph (c)(1) of this section.

(d) *Updating to FY 1992.* The intermediary updates the case-mix adjusted base period costs per discharge to FY 1992 based on the national average increase in Medicare inpatient capital costs per discharge as estimated by HCFA, excluding the portion of the increase in capital costs per discharge attributable to changes in case mix.

(e) *Hospital-specific rate.* The intermediary determines the hospital-specific rate each year by adjusting the amount determined under paragraph (d) of this section by the following factors:

(1) *Update factor.* After FY 1992, the intermediary updates the hospital-specific rate in accordance with § 412.308(c)(1).

(2) *Exceptions payment adjustment factor.* For FY 1992 through FY 2001, the intermediary reduces the updated amount determined in paragraph (d) of this section by an adjustment factor equal to the estimated additional payments for capital-related costs for exceptions under § 412.348, determined as a proportion of the total amount of payments under the hospital-specific rate and Federal rate.

(3) *Budget neutrality adjustment factor.* For FY 1992 through FY 1995, the intermediary adjusts the updated

amount determined in paragraph (d) of this section by a budget neutrality adjustment factor determined under § 412.352.

(f) *Redetermination of hospital-specific rate*—(1) *General*. (i) Upon request by a hospital, the intermediary redetermines the hospital-specific rate to reflect changes in old capital costs as determined in a cost reporting period subsequent to the base year. New capital costs are excluded from the redetermination of the hospital-specific rate.

(ii) The hospital may request redetermination for any cost reporting period beginning subsequent to the base period but no later than the later of the hospital's cost reporting period beginning in FY 1994 or the cost reporting period beginning after obligated capital that is recognized as old capital under § 412.302(b) is put in use.

(iii) The hospital must request a redetermination in writing no later than 90 days after the close of the cost reporting period that will serve as the new base period.

(2) *Determination of old capital costs*. The intermediary determines the hospital's old capital costs for the subsequent cost reporting period that will serve as the new base period. The intermediary includes the costs of obligated capital that are recognized as old capital costs under § 412.302(b), excludes the costs of assets disposed of subsequent to the initial base year, and reflects changes in allowable old capital costs occurring subsequent to the initial base period.

(3) *Redetermined hospital-specific rate*. The intermediary redetermines the hospital-specific rate based on the old capital costs that are determined under paragraph (f)(2) of this section for the new base period. The intermediary—

(i) Divides the hospital's old capital costs for the new base period by the number of Medicare discharges in that cost reporting period (consistent with paragraph (b) of this section);

(ii) Divides the old capital costs per discharge by the hospital's transfer adjusted case-mix value for the new base period (consistent with paragraph (c) of this section);

(iii) Applies an update factor, if appropriate, to account for inflation occurring subsequent to the new base year, an exceptions payment adjustment factor, and budget neutrality adjustment factor (consistent with paragraphs (d) and (e) of this section).

(4) *Implementation Date*. The redetermined hospital-specific rate applies to discharges occurring on or

after the beginning date of the new base period.

(g) *Review and revision of the hospital-specific rate*—(1) *Interim determination*. The intermediary makes an interim determination of the hospital-specific rate based on the best data available and notifies the hospital at least 30 days before the beginning of the hospital's first cost reporting period beginning on or after October 1, 1991.

(2) *Final determination*. (i) The intermediary makes a final determination of the hospital-specific rate based on the final settlement of the base period cost report.

(ii) The final determination of the hospital-specific rate is effective retroactively to the beginning of the hospital's first cost reporting period beginning on or after October 1, 1991 or, in the case of a redetermination of the hospital-specific rate under § 412.328(f), to the beginning of the new base period.

(iii) The final determination of the hospital-specific rate is subject to administrative and judicial review in accordance with subpart R of part 405 of this chapter, governing provider reimbursement determinations and appeals.

(iv) The intermediary adjusts the hospital-specific rate to reflect any revisions that result from administrative or judicial review of the final determination of hospital-specific rate. The revised determination is effective retroactively to the same extent as in paragraph (g)(2)(ii) of this section.

#### § 412.332 Payment based on the hospital-specific rate.

The payment amount for each discharge (as defined in § 412.4(a)) based on the hospital-specific rate determined under § 412.328 (e) or (f) is determined by multiplying the applicable hospital-specific rate by the DRG weighting factor applicable to the discharge under § 412.60 and the applicable hospital-specific rate percentage for the pertinent cost reporting period under § 412.340.

#### § 412.336 Transition period payment methodologies.

(a) *General*. For discharges occurring in cost reporting periods beginning on or after October 1, 1991 and before October 1, 2001, a hospital is paid under one of two payment methodologies described in § 412.340 and § 412.344. Except as provided under paragraph (b) of this section, a hospital is paid under the same methodology throughout the transition period.

(1) *Hospital-specific rate below the Federal rate*. A hospital with a hospital-specific rate below the Federal rate

(after taking into account the estimated effect of the payment adjustments and outlier payments) is paid under the fully prospective payment methodology as described in § 412.340.

(2) *Hospital-specific rate above the Federal rate*. A hospital with a hospital-specific rate that is above the Federal rate (after taking into account the estimated effect of the payment adjustments and outlier payments) is paid under the hold-harmless payment methodology as described in § 412.344.

(b) *Special rule for revised hospital-specific rate*. If a hospital with a hospital-specific rate below the Federal rate requests that its hospital-specific rate be redetermined, the redetermined hospital-specific rate is compared to the Federal rate that is applicable to the new base period (after taking into account the estimated effect of the payment adjustments and outlier payments). If the redetermined hospital-specific rate is higher than the Federal rate, the hospital is paid under the hold-harmless methodology effective with the beginning of the new base period and continuing throughout the remainder of the transition.

(c) *Interim and final determinations of applicable payment methodology*—(1) *Interim determination*. The intermediary makes an interim determination of the applicable payment methodology based on the best data available and notifies the hospital of its determination at least 30 days before the beginning of the hospital's first cost reporting period beginning on or after October 1, 1990.

(2) *Final determination*. (i) The intermediary makes a final determination of the applicable payment methodology based on its final determination of the hospital's hospital-specific rate. The final determination of the applicable payment methodology is effective retroactively to the beginning of the hospital's first cost reporting period beginning on or after October 1, 1991.

(ii) If the hospital-specific rate is redetermined in accordance with § 412.328(f), the intermediary makes a new determination of the applicable payment methodology. The new determination is effective retroactively to the beginning of the new base period.

(iii) If the hospital-specific rate is revised under § 412.328(g) as a result of administrative or judicial review, the intermediary makes a new determination of the applicable payment methodology. The new determination is effective retroactively to the beginning of the hospital's first cost reporting period beginning on or after October 1,

1991 or to the beginning of the new base period.

**§ 412.340 Fully prospective payment methodology.**

A hospital paid under the fully prospective payment methodology receives a payment per discharge based on a proportion of the hospital-specific rate and the Federal rate as follows:

Cost reporting periods beginning on or after:	Federal rate percentage	Hospital-specific rate percentage
October 1, 1991.....	10	90
October 1, 1992.....	20	80
October 1, 1993.....	30	70
October 1, 1994.....	40	60
October 1, 1995.....	50	50
October 1, 1996.....	60	40
October 1, 1997.....	70	30
October 1, 1998.....	80	20
October 1, 1999.....	90	10
October 1, 2000.....	100	0

**§ 412.344 Hold-harmless payment methodology.**

(a) *General.* A hospital paid under the hold-harmless payment methodology receives a payment per discharge based on the higher of:

(1) 85 percent of reasonable costs for old capital costs (100 percent for sole community hospitals) plus an amount for new capital costs based on a proportion of the Federal rate. The proportion is equal to the ratio of the hospital's Medicare inpatient costs for new capital to total Medicare inpatient capital costs; or

(2) 100 percent of the Federal rate.

(3) *Exceptions.* (i) A hospital that would receive higher payment under paragraph (a)(1) of this section may elect payment based on 100 percent of the Federal rate under paragraph (a)(2) of this section.

(ii) A hospital that does not maintain records that are adequate to identify its old capital costs is deemed to have elected payment per discharge based on 100 percent of the Federal rate.

(b) *Continued basis of payment.* A hospital paid based on 100 percent of the Federal rate during the later of its cost reporting period beginning in FY 1994 or its first cost reporting period beginning after obligated capital that is recognized as old capital under § 412.302(b) is put in use continues to be paid on that basis in subsequent cost reporting periods during the transition period and does not receive a reasonable cost payment for old capital costs under paragraph (a)(1) of this section.

(c) *Basis of determination.* The determination under paragraph (a) of this section regarding which payment

alternative is applicable is made without regard to additional payments under the exceptions process under § 412.348.

(d) *Interim and final payment determinations.* (1) Using the best data available, the intermediary makes an interim payment determination under paragraph (a) of this section concerning the applicable payment alternative, and, in the case of payment under paragraph (a)(1) of this section, the payment amounts for old and new capital. The intermediary notifies the hospital of its determination at least 30 days before the beginning of the hospital's first cost reporting period beginning on or after October 1, 1991. The intermediary may revise its determination based on additional information submitted by the hospital.

(2) The final determination of the amount payable under paragraph (a) of this section is based on final settlement of the Medicare cost report for the applicable cost reporting period. This final determination is subject to administrative and judicial review in accordance with subpart R of part 405 of this chapter, governing provider reimbursement determinations and appeals.

**§ 412.348 Exception payments during transition period.**

(a) *Criterion for additional payment.* An additional payment is made to a hospital paid under either the fully prospective payment methodology or the hold-harmless payment methodology as determined under paragraph (b) of this section for cost reporting periods beginning on or after October 1, 1991 and before October 1, 2001.

(b) *Minimum payment level by class of hospital.* (1) HCFA establishes a minimum payment level by class of hospital. The minimum payment level for a hospital will equal a fixed percentage of the hospital's capital-related costs. The minimum payment levels may be no greater than the percentages of allowable capital-related costs that follow:

(i) 90 percent for sole community hospitals.

(ii) 80 percent for hospitals located in an urban area for purposes of § 412.63(a) with at least 100 beds, as determined under § 412.105(b), that have a disproportionate share patient percentage of at least 20.2 percent as determined under § 412.106(b), and for hospitals located in a urban area for purposes of § 412.63(a) with at least 100 beds that qualify for disproportionate share payments under § 412.106(c)(2).

(iii) 70 percent for all other hospitals.

(2) HCFA will issue the minimum payment levels for each class of hospital

in determining the additional exception payment in the annual notice of capital prospective payment rates, published in accordance with § 412.8(b).

(c) *Additional payments.* A hospital is entitled to an additional payment if its capital payments for the cost reporting period would otherwise be less than the applicable minimum payment level. The additional payment equals the difference between the applicable minimum payment level and the capital payments that the hospital would otherwise receive minus any offset amount determined under paragraph (d)(2) of this section.

(d) *Determining a hospital's exception payment amount—(1) Cumulative comparison.* For each cost reporting period beginning before October 1, 2001, the hospital's exception payment is determined by comparing the cumulative payments made to the hospital under the capital prospective payment system to the cumulative minimum payment levels applicable to the hospital for each cost reporting period subject to the prospective payment system.

(2) *Offsetting amounts.* Any amount by which the hospital's cumulative payments exceed its cumulative minimum payment levels is deducted from the additional payment that would otherwise be payable for a cost reporting period.

(e) *Additional payment exception for extraordinary circumstances.* (1) A hospital may request an additional payment if the hospital incurs unanticipated capital expenditures in excess of \$5 million (net of insurance proceeds) due to extraordinary circumstances beyond the hospital's control. Extraordinary circumstances include, but are not limited to, a flood, fire, or earthquake.

(2) A hospital must apply to its HCFA Regional Office within 180 days of the extraordinary circumstance causing the unanticipated expenditures for a determination by the HCFA Administrator of whether the hospital is eligible for an additional payment based on the nature of the circumstances and the amount of financial loss documented by the hospital.

(3) Except for sole community hospitals, the additional payment is based on a minimum payment amount of 85 percent for Medicare's share of allowable capital-related costs attributable to the extraordinary circumstances. For sole community hospitals, the minimum payment amount is 100 percent.

(4) The minimum payment level applicable under paragraph (b)(1) of this

section will be adjusted to take into account the 85 percent minimum payment level (100 percent for sole community hospitals) under paragraph (e)(3) of this section for the unanticipated capital-related costs. The additional payment for the cost reporting period equals the difference between the adjusted minimum payment level and the capital payments the hospital would otherwise receive less any offset amount determined under paragraph (d)(2) of this section.

(f) *Limit on exception payments.* Total estimated payments under the exception process may not exceed 10 percent of the total estimated capital prospective payments (exclusive of hold-harmless payments for old capital) for the same fiscal year.

#### § 412.352 Budget neutrality adjustment.

For FY 1992 through FY 1995, HCFA will determine an adjustment to the hospital-specific rate and the Federal rate proportionately so that the estimated aggregate payments under this subpart for inpatient hospital capital costs each fiscal year will equal 90 percent of what HCFA estimates would have been paid for capital-related costs on a reasonable cost basis under § 413.130 of this chapter.

#### Special Rules for Puerto Rico Hospitals

##### § 412.370 General provisions for hospitals located in Puerto Rico.

Except as provided in § 412.374, hospitals located in Puerto Rico are subject to the rules in this subpart governing the prospective payment system for inpatient hospital capital-related costs.

##### § 412.374 Payments to hospitals located in Puerto Rico.

Payments for capital-related costs to hospitals located in Puerto Rico that are paid under the prospective payment system are equal to the sum of the following:

- (a) 75 percent of a Puerto Rico capital rate based on data from Puerto Rico hospitals only, which is determined in accordance with procedures for developing the Federal rate; and
- (b) 25 percent of the Federal rate, as determined under § 412.308.

V. Part 413 is amended as follows:

#### PART 413—PRINCIPLES OF REASONABLE COST REIMBURSEMENT; PAYMENT FOR END-STAGE RENAL DISEASE SERVICES

A. The authority citation for Part 413 continues to read as follows:

Authority: Sec. 1102, 1814(b), 1815, 1833 (a) and (i), 1861(v), 1871, 1881, and 1886 of the Social Security Act (42 U.S.C. 1302, 1395f(b), 1395g, 1395f(a) and (i), 1395x(v), 1395hh, 1395rr, and 1395ww) and sec. 104(c) of Pub. L. 100-360 as amended by sec. 608(d)(3) of Pub. L. 100-485 (42 U.S.C. 1305ww (note)) and sec. 101(c) of Pub. L. 101-234 (42 U.S.C. 1305ww (note)).

B. Subpart G is amended as follows:

#### Subpart G—Capital-Related Costs

1. In § 413.130, the introductory text of paragraph (a) is republished; paragraph (a)(3) is revised; new paragraphs (a)(10) and (a)(11) are added; new paragraph (b)(6) is added; paragraphs (f), (g), and (h) are redesignated as paragraphs (g), (h), and (i), respectively; new paragraph (f) is added; the introductory text of newly redesignated paragraph (i) is republished; and a new paragraph (i)(7) is added to read as follows.

##### § 413.130 Introduction to capital-related costs.

(a) *General rule.* Capital-related costs and an allowance for return on equity are limited to the following:

(3) Leases and rentals, including license and royalty fee, for the use of depreciable assets or land, as described in paragraph (b) of this section.

(10) Debt issuance costs, debt discounts, and debt redemption costs, if the associated debt was incurred to acquire land or depreciable assets used for patient care or to refinance existing debt for which the original purpose was to acquire land or depreciable assets for patient use.

(11) The apportionment of the capital-related costs of jointly owned assets among the owners must be on a basis that reflects the relative use by each owner, rather than the ownership share or the amount of time the asset is located at each owners site.

(b) *Leases and rentals.*

(6) Amounts included in lease or rental payments for repair or maintenance agreements are excluded from capital-related costs. If no amount is identified in the lease or rental agreement for maintenance, the entire lease payment is considered a capital-related cost subject to the provisions of paragraph (b)(1) of this section.

(f) *Debt premiums and debt discounts.* A provider must apply debt premiums or debt discounts as adjustments to capital-related costs if the associated debt is incurred for acquiring land or depreciable assets used for patient care

or for refinancing existing debt for which the original purpose was to acquire land or depreciable assets used for patient care.

(i) *Costs excluded from capital-related costs.* The following costs are not capital-related costs. To the extent that they are allowable, they must be included in determining each provider's operating costs:

(7) The costs incurred for maintenance and repair insurance agreements (commonly referred to as maintenance agreements).

2. Section 413.134 is amended by revising paragraph (e) and adding new paragraph (f)(2)(iii)(D) to read as follows:

##### § 413.134 Depreciation: Allowance for depreciation based on asset costs.

(e) *Funding of depreciation.* Although funding of depreciation is not required, it is strongly recommended that providers use this mechanism as a means of conserving funds for replacement of depreciable assets. Funded depreciation account funds must be placed in readily marketable investments of the type that assures the availability and conservation of the funds. Additions to the funded depreciation account must remain in the account for at least 6 months to be considered valid funding transactions.

(1) *Incentive.* As an incentive for funding, investment income on funded depreciation is not treated as a reduction of allowable interest expense.

(2) *Availability of funded depreciation.* (i) HCFA considers funded depreciation available for use in the acquisition or replacement of depreciable assets related to patient care unless the funded depreciation funds have been committed by contract for the acquisition of depreciable assets related to the furnishing of patient care or for other capital purposes related to patient care.

(ii) Borrowing for a purpose for which funded depreciation account funds should have been used makes the borrowing unnecessary to the extent that funded depreciation account funds were available at the time of the borrowing. Interest expense incurred on borrowing for a capital purpose is not an allowable cost to the extent that funded depreciation account funds were available at the time of the borrowing.

(3) *Withdrawals of funded depreciation—(i) Proper withdrawals.*

(A) Withdrawals from funded depreciation are considered proper if



made either for the acquisition or replacement of depreciable assets related to the furnishing of patient care or for other capital purposes related to patient care.

(B) *First-in, first-out basis.* Proper withdrawals from funded depreciation are made on a first-in, first-out basis.

(C) *Exception.* If HCFA determines that a borrowing is unnecessary because of the existence of available funded depreciation, and additional deposits have been made to funded depreciation after the occurrence of the unnecessary borrowing, withdrawals made after the date of the additional deposits are deemed to be made on a last-in, first-out basis.

(ii) *Improper withdrawals.* (A) Withdrawals from funded depreciation that do not meet the requirements for proper withdrawals under the provisions in paragraph (e)(3)(i)(A) of this section are considered improper withdrawals.

(B) Improper withdrawals from funded depreciation are made on a last-in, first-out basis. If improper withdrawals are made, interest expense is reduced in accordance with section § 413.153(c)(3).

(C) Improper withdrawals will result in the offset of otherwise allowable interest expense under the offset provisions in § 413.153(c)(3).

(f) Gains and losses on disposal of assets.

\* \* \* \* \*

(2) \* \* \*

(iii) \* \* \*

(D) Effective for cost reporting periods beginning on or after October 1, 1991, no adjustment will be made for the portion of gains or losses allocated to inpatient hospital services for which the hospital was paid under the fully prospective payment methodology as described in 412.340 of this chapter or under the hold-harmless methodology based on the Federal rate as described in 412.340(a)(1) of this chapter for new capital or in 412.340(a)(2) of this chapter.

3. In § 413.153, the introductory text in paragraph (b)(2) is republished and paragraph (b)(2)(iii) is revised to read as follows:

#### § 413.153 Interest expense.

\* \* \* \* \*

(b) \* \* \*

(2) *Necessary.* Necessary requires that the interest be—

\* \* \* \* \*

(iii) Reduced by investment income except if such income is from gifts and grants, whether restricted or unrestricted, and that are held separate and not commingled with other funds. Income from funded depreciation that

meets the requirements of § 413.134 or a provider's qualified pension fund is not used to reduce interest expense. Interest received as a result of judicial review by a Federal Court (as described in § 413.64(j)) is not used to reduce interest expense.

\* \* \* \* \*

(Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance)

Dated: August 23, 1991.

Cail R. Wilensky,  
Administrator, Health Care Financing  
Administration.

Approved: August 23, 1991.

Louis W. Sullivan,  
Secretary.

TABLE 1.—STANDARD FEDERAL PAYMENT RATE

	Rate
National.....	415.59
Puerto Rico.....	319.68

TABLE 2a.—GEOGRAPHIC ADJUSTMENT FACTOR FOR URBAN AREAS

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geographic adjustment factor
Abilene, TX.....	.9611
Taylor, TX.....	
Aguadilla, PR.....	.5851
Aguada, PR.....	
Aguadilla, PR.....	
Isabella, PR.....	
Moca, PR.....	
Akron, OH.....	.9315
Portage, OH.....	
Summit, OH.....	
Albany, GA.....	.8625
Dougherty, GA.....	
Lee, GA.....	
Albany-Schenectady-Troy, NY.....	9255
Albany, NY.....	
Greene, NY.....	
Montgomery, NY.....	
Rensselaer, NY.....	
Saratoga, NY.....	
Schenectady, NY.....	
Albuquerque, NM.....	1.0091
Bernalillo, NM.....	
Alexandria, LA.....	.8790
Rapides, LA.....	
Allentown-Bethlehem-Easton, PA-NJ.....	.9491
Warren, NJ.....	
Carbon, PA.....	
Lehigh, PA.....	
Northampton, PA.....	
Altoona, PA.....	.9478
Blair, PA.....	
Amarillo, TX.....	.9124
Potter, TX.....	
Randall, TX.....	
*Anaheim-Santa Ana, CA.....	1.1343
Orange, CA.....	
Anchorage, AK.....	1.2707
Anchorage, AK.....	
Anderson, IN.....	1.0083

TABLE 2a.—GEOGRAPHIC ADJUSTMENT FACTOR FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geographic adjustment factor
Madison, IN.....	
Anderson, SC.....	.8035
Anderson, SC.....	
Ann Arbor, MI.....	1.0935
Washtenaw, MI.....	
Anniston, AL.....	.8537
Calhoun, AL.....	
Appleton-Oshkosh-Neenah, WI.....	.9465
Calumet, WI.....	
Outagamie, WI.....	
Winnebago, WI.....	
Arecibo, PR.....	.5300
Arecibo, PR.....	
Camuy, PR.....	
Hatillo, PR.....	
Quebradillas, PR.....	
Asheville, NC.....	.9124
Buncombe, NC.....	
Athens, GA.....	.8741
Clarke, GA.....	
Jackson, GA.....	
Madison, GA.....	
Oconee, GA.....	
*Atlanta, GA.....	.9727
Barrow, GA.....	
Butts, GA.....	
Cherokee, GA.....	
Clayton, GA.....	
Cobb, GA.....	
Coweta, GA.....	
De Kalb, GA.....	
Douglas, GA.....	
Fayette, GA.....	
Forsyth, GA.....	
Fulton, GA.....	
Gwinnett, GA.....	
Henry, GA.....	
Newton, GA.....	
Paulding, GA.....	
Rockdale, GA.....	
Spalding, GA.....	
Walton, GA.....	
Atlantic City, NJ.....	1.0351
Atlantic, NJ.....	
Cape May, NJ.....	
Augusta, GA-SC.....	.9591
Columbia, GA.....	
McDuffie, GA.....	
Richmond, GA.....	
Aiken, SC.....	
Aurora-Elgin, IL.....	.9451
Kane, IL.....	
Kendall, IL.....	
Austin, TX.....	.9730
Hays, TX.....	
Travis, TX.....	
Williamson, TX.....	
Bakersfield, CA.....	1.0593
Kern, CA.....	
*Baltimore, MD.....	1.0113
Anne Arundel, MD.....	
Baltimore, MD.....	
Baltimore City, MD.....	
Carroll, MD.....	
Harford, MD.....	
Howard, MD.....	
Queen Annes, MD.....	
Bangor, ME.....	.9355
Penobscot, ME.....	
Baton Rouge, LA.....	.9372



TABLE 2a.—GEOGRAPHIC ADJUSTMENT  
FACTOR FOR URBAN AREAS—Continued[Areas that qualify as large urban areas are  
designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geograph- ic adjustment factor
Ascension, LA	
East Baton Rouge, LA	
Livingston, LA	
West Baton Rouge, LA	
Battle Creek, MI	.9380
Calhoun, MI	
Beaumont-Port Arthur, TX	.9733
Hardin, TX	
Jefferson, TX	
Orange, TX	
Beaver County, PA	1.0119
Beaver, PA	
Bellingham, WA	1.0344
Whatcom, WA	
Benton Harbor, MI	.8371
Berrien, MI	
*Bergen-Passaic, NJ	1.0208
Bergen, NJ	
Passaic, NJ	
Billings, MT	.9538
Yellowstone, MT	
Biloxi-Gulfport, MS	.8634
Hancock, MS	
Harrison, MS	
Binghamton, NY	.9493
Broome, NY	
Tioga, NY	
Birmingham, AL	.9145
Blount, AL	
Jefferson, AL	
Saint Clair, AL	
Shelby, AL	
Walker, AL	
Bismarck, ND	.9198
Burleigh, ND	
Morton, ND	
Bloomington, IN	.8471
Monroe, IN	
Bloomington-Normal, IL	.9066
McLean, IL	
Boise City, ID	1.0082
Ada, ID	
*Boston-Lawrence-Salem-Lowell	
Brockton, MA	1.1213
Essex, MA	
Middlesex, MA	
Norfolk, MA	
Plymouth, MA	
Suffolk, MA	
Boulder-Longmont, CO	1.0108
Boulder, CO	
Bradenton, FL	.9182
Manatee, FL	
Brazoria, TX	.9165
Brazoria, TX	
Bremerton, WA	1.0255
Kitsap, WA	
Bridgeport-Stamford-Norwalk-Danbury,	
CT	1.1358
Fairfield, CT	
Brownsville-Harlingen, TX	.9025
Cameron, TX	
Bryan-College Station, TX	.9653
Brazos, TX	
Buffalo, NY	.9244
Erie, NY	
Burlington, NC	.8500
Alamance, NC	
Burlington, VT	.9581
Chittenden, VT	
Grand Isle, VT	
Caguas, PR	.5869

TABLE 2a.—GEOGRAPHIC ADJUSTMENT  
FACTOR FOR URBAN AREAS—Continued[Areas that qualify as large urban areas are  
designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geograph- ic adjustment factor
Caguas, PR	
Gurabo, PR	
San Lorenz, PR	
Agua Buenas, PR	
Cayey, PR	
Cidra, PR	
Canton, OH	.8919
Carroll, OH	
Stark, OH	
Casper, WY	.9232
Natrona, WY	
Cedar Rapids, IA	.8237
Linn, IA	
Champaign-Urbana-Rantoul, IL	.9131
Champaign, IL	
Charleston, SC	.8830
Berkeley, SC	
Charleston, SC	
Dorchester, SC	
Charleston, WV	.9794
Kanawha, WV	
Putnam, WV	
*Charlotte-Gastonia-Rock Hill, NC-SC	.9651
Cabarrus, NC	
Gaston, NC	
Lincoln, NC	
Mecklenburg, NC	
Rowan, NC	
Union, NC	
York, SC	
Charlottesville, VA	.9741
Albermarle, VA	
Charlottesville City, VA	
Fluvanna, VA	
Greene, VA	
Chattanooga, TN-GA	.9449
Catoosa, GA	
Dade, GA	
Walker, GA	
Hamilton, TN	
Marion, TN	
Sequatchie, TN	
Cheyenne, WY	.8520
Laramie, WY	
*Chicago, IL	1.0358
Cook, IL	
Du Page, IL	
McHenry, IL	
Chico, CA	1.0716
Butte, CA	
*Cincinnati, OH-KY-IN	.9883
Dearborn, IN	
Boone, KY	
Campbell, KY	
Kenton, KY	
Clermont, OH	
Hamilton, OH	
Warren, OH	
Clarksville-Hopkinsville, TN-KY	.8081
Christian, KY	
Montgomery, TN	
*Cleveland, OH	1.0506
Cuyahoga, OH	
Geauga, OH	
Lake, OH	
Medina, OH	
Colorado Springs, CO	.9880
El Paso, CO	
Columbia, MO	.9665
Boone, MO	
Columbia, SC	.9267

TABLE 2a.—GEOGRAPHIC ADJUSTMENT  
FACTOR FOR URBAN AREAS—Continued[Areas that qualify as large urban areas are  
designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geograph- ic adjustment factor
Lexington, SC	
Richland, SC	
Columbus, GA-AL	.8270
Russell, AL	
Chattanooga, GA	
Muscogee, GA	
*Columbus, OH	.9781
Delaware, OH	
Fairfield, OH	
Franklin, OH	
Licking, OH	
Madison, OH	
Pickaway, OH	
Union, OH	
Corpus Christi, TX	.9020
Nueces, TX	
San Patricio, TX	
Cumberland, MD-WV	.8726
Allegeny, MD	
Mineral, WV	
*Dallas, TX	.9618
Collin, TX	
Dallas, TX	
Denton, TX	
Ellis, TX	
Kaufman, TX	
Rockwall, TX	
Danville, VA	.8222
Danville City, VA	
Pittsylvania, VA	
Davenport-Rock Island-Moline, IA-IL	.8931
Scott, IA	
Henry, IL	
Rock Island, IL	
Dayton-Springfield, OH	.9375
Clark, OH	
Greene, OH	
Miami, OH	
Montgomery, OH	
Daytona Beach, FL	.9269
Volusia, FL	
Decatur, AL	.8207
Lawrence, AL	
Morgen, AL	
Decatur, IL	.8797
Macon, IL	
*Denver, CO	1.0519
Adams, CO	
Arapahoe, CO	
Denver, CO	
Douglas, CO	
Jefferson, CO	
Des Moines, IA	.9430
Dallas, IA	
Polk, IA	
Warren, IA	
*Detroit, MI	1.3566
Lapeer, MI	
Livingston, MI	
Macomb, MI	
Monroe, MI	
Oakland, MI	
Saint Clair, MI	
Wayne, MI	
Dothan, AL	.8269
Dale, AL	
Houston, AL	
Dubuque, IA	.8862
Dubuque, IA	
Duluth, MN-WI	.9673
St. Louis, MN	
Douglas, WI	
Eau Claire, WI	.8943

TABLE 2a.—GEOGRAPHIC ADJUSTMENT FACTOR FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geographic adjustment factor
Chippewa, WI	
Eau Claire, WI	
El Paso, TX.....	.9106
El Paso, TX	
Elkhart-Goshen, IN.....	.9011
Elkhart, IN	
Elmira, NY.....	.9175
Chemung, NY	
Enid, OK.....	.9247
Garfield, OK	
Erie, PA.....	.9420
Erie, PA	
Eugene-Springfield, OR.....	1.0119
Lane, OR	
Evansville, IN-KY.....	.9504
Posey, IN	
Vanderburgh, IN	
Warrick, IN	
Henderson, KY	
Fargo-Moorhead, ND-MN.....	.9804
Clay, MN	
Cass, ND	
Fayetteville, NC.....	.8804
Cumberland, NC	
Fayetteville-Springdale, AR.....	.8581
Washington, AR	
Flint, MI.....	1.1040
Genesee, MI	
Florence, AL.....	.8379
Colbert, AL	
Lauderdale, AL	
Florence, SC.....	.8901
Florence, SC	
Fort Collins-Loveland, CO.....	1.0168
Larimer, CO	
*Fort Lauderdale-Hollywood-Pompano Beach, FL.....	1.0261
Broward, FL	
Fort Myers-Cape Coral, FL.....	.9868
Lee, FL	
Fort Pierce, FL.....	1.0708
Martin, FL	
St. Lucie, FL	
Fort Smith, AR-OK.....	.8538
Crawford, AR	
Sebastian, AR	
Sequoyah, OK	
Fort Walton Beach, FL.....	.9268
Okaloosa, FL	
Fort Wayne, IN.....	.9240
Allen, IN	
De Kalb, IN	
Whitley, IN	
*Fort Worth-Arlington, TX.....	.9653
Johnson, TX	
Parker, TX	
Tarrant, TX	
Fresno, CA.....	1.0506
Fresno, CA	
Gadsden, AL.....	.8734
Etowah, AL	
Gainesville, FL.....	.9166
Alachua, FL	
Bradford, FL	
Galveston-Texas City, TX.....	.9626
Galveston, TX	
Gary-Hammond, IN.....	.9644
Lake, IN	
Porter, IN	
Glens Falls, NY.....	.9472
Warren, NY	
Washington, NY	
Grand Forks, ND.....	.9715

TABLE 2a.—GEOGRAPHIC ADJUSTMENT FACTOR FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geographic adjustment factor
Grand Forks, ND	
Grand Rapids, MI.....	.9926
Kent, MI	
Ottawa, MI	
Great Falls, MT.....	1.0001
Cascade, MT	
Greeley, CO.....	.9561
Weld, CO	
Green Bay, WI.....	.9720
Brown, WI	
Greensboro-Winston-Salem-High Point, NC.....	.9426
Davidson, NC	
Davie, NC	
Forsyth, NC	
Guilford, NC	
Randolph, NC	
Stokes, NC	
Yadkin, NC	
Greenville-Spartanburg, SC.....	.9241
Greenville, SC	
Pickens, SC	
Spartanburg, SC	
Hagerstown, MD.....	.9421
Washington, MD	
Hamilton-Middletown, OH.....	.8919
Butler, OH	
Harrisburg-Lebanon-Carlisle, PA.....	.9951
Cumberland, PA	
Dauphin, PA	
Lebanon, PA	
*Hartford-Middletown-New Britain-Bristol, CT.....	1.1283
Hartford, CT	
Litchfield, CT	
Middlesex, CT	
Tolland, CT	
Hickory, NC.....	.9168
Alexander, NC	
Burke, NC	
Catawba, NC	
Honolulu, HI.....	1.1064
Honolulu, HI	
Houma-Thibodaux, LA.....	.7973
Lafourche, LA	
Terrebonne, LA	
*Houston, TX.....	.9854
Fort Bend, TX	
Harris, TX	
Liberty, TX	
Montgomery, TX	
Waller, TX	
Huntington-Ashland, WV-KY-OH.....	.9617
Boyd, KY	
Carter, KY	
Greenup, KY	
Lawrence, OH	
Cabell, WV	
Wayne, WV	
Huntsville, AL.....	.9192
Madison, AL	
*Indianapolis, IN.....	.9731
Boone, IN	
Hamilton, IN	
Hancock, IN	
Hendricks, IN	
Johnson, IN	
Marion, IN	
Morgan, IN	
Shelby, IN	
Iowa City, IA.....	.9680
Johnson, IA	
Jackson, MI.....	.9185

TABLE 2a.—GEOGRAPHIC ADJUSTMENT FACTOR FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geographic adjustment factor
Jackson, MI	
Jackson, MS.....	.8391
Hinds, MS	
Madison, MS	
Rankin, MS	
Jackson, TN.....	.8560
Madison, TN	
Jacksonville, FL.....	.9346
Clay, FL	
Duval, FL	
Nassau, FL	
St. Johns, FL	
Jacksonville, NC.....	.7956
Onslow, NC	
Jamestown-Dunkirk, NY.....	.7886
Chatauqua, NY	
Janesville-Beloit, WI.....	.8913
Rock, WI	
Jersey City, NJ.....	1.0364
Hudson, NJ	
Johnson City-Kingsport-Bristol, TN-VA.....	.9073
Carter, TN	
Hawkins, TN	
Sullivan, TN	
Unicoi, TN	
Washington, TN	
Bristol City, VA	
Scott, VA	
Washington, VA	
Johnstown, PA.....	.9205
Cambria, PA	
Somerset, PA	
Joliet, IL.....	1.0352
Grundy, IL	
Will, IL	
Joplin, MO.....	.8500
Jasper, MO	
Newton, MO	
Kalamazoo, MI.....	1.1148
Kalamazoo, MI	
Kankakee, IL.....	.8944
Kankakee, IL	
*Kansas City, KS-MO.....	.9722
Johnson, KS	
Leavenworth, KS	
Miami, KS	
Wyandotte, KS	
Cass, MO	
Clay, MO	
Jackson, MO	
Lafayette, MO	
Platte, MO	
Ray, MO	
Kenosha, WI.....	.9207
Kenosha, WI	
Killeen-Temple, TX.....	1.0876
Bell, TX	
Coryell, TX	
Knoxville, TN.....	.9090
Anderson, TN	
Blount, TN	
Grainger, TN	
Jefferson, TN	
Knox, TN	
Sevier, TN	
Union, TN	
Kokomo, IN.....	.9616
Howard, IN	
Tipton, IN	
LaCrosse, WI.....	.9278
LaCrosse, WI	
Lafayette, LA.....	.8754

TABLE 2a.—GEOGRAPHIC ADJUSTMENT FACTOR FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geographic adjustment factor
Lafayette, LA	
St. Martin, LA	
Lafayette, IN.....	.8903
Tippecanoe, IN.....	
Lake Charles, LA.....	.8862
Calcasieu, LA.....	
Lake County, IL.....	.9597
Lake, IL.....	
Lakeland-Winter Haven, FL.....	.8335
Polk, FL.....	
Lancaster, PA.....	.9491
Lancaster, PA.....	
Lansing-East Lansing, MI.....	1.0158
Clinton, MI.....	
Eaton, MI.....	
Ingham, MI.....	
Laredo, TX.....	.8049
Webb, TX.....	
Las Cruces, NM.....	.8521
Dona Ana, NM.....	
Las Vegas, NV.....	1.0435
Clark, NV.....	
Lawrence, KS.....	.9265
Douglas, KS.....	
Lawton, OK.....	.8872
Comanche, OK.....	
Lewiston-Auburn, ME.....	.9350
Androscoggin, ME.....	
Lexington-Fayette, KY.....	.8914
Bourbon, KY.....	
Clark, KY.....	
Fayette, KY.....	
Jessamine, KY.....	
Scott, KY.....	
Woodford, KY.....	
Lima, OH.....	.8634
Allen, OH.....	
Auglaize, OH.....	
Lincoln, NE.....	.9278
Lancaster, NE.....	
Little Rock-North Little Rock, AR.....	.8895
Faulkner, AR.....	
Lonoke, AR.....	
Pulaski, AR.....	
Saline, AR.....	
Longview-Marshall, TX.....	.9090
Gregg, TX.....	
Harrison, TX.....	
Lorain-Elyria, OH.....	.9246
Lorain, OH.....	
*Los Angeles-Long Beach, CA.....	1.1565
Los Angeles, CA.....	
Louisville, KY-IN.....	.9375
Clark, IN.....	
Floyd, IN.....	
Harrison, IN.....	
Bullitt, KY.....	
Jefferson, KY.....	
Oldham, KY.....	
Shelby, KY.....	
Lubbock, TX.....	.9160
Lubbock, TX.....	
Lynchburg, VA.....	.8983
Amherst, VA.....	
Campbell, VA.....	
Lynchburg City, VA.....	
Macon-Warner Robins, GA.....	.9170
Bibb, GA.....	
Houston, GA.....	
Jones, GA.....	
Peach, GA.....	
Madison, WI.....	1.0218

TABLE 2a.—GEOGRAPHIC ADJUSTMENT FACTOR FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geographic adjustment factor
Dane, WI.....	
Manchester-Nashua, NH.....	1.0095
Hillsborough, NH.....	
Merrimack, NH.....	
Mansfield, OH.....	.8875
Richland, OH.....	
Mayaguez, PR.....	.6029
Anasco, PR.....	
Cabo Rojo, PR.....	
Hormigueros, PR.....	
Mayaguez, PR.....	
San German, PR.....	
McAllen-Edinburg-Mission, TX.....	.8378
Hidalgo, TX.....	
Medford, OR.....	1.0037
Jackson, OR.....	
Melbourne-Titusville, FL.....	.9451
Brevard, FL.....	
Memphis, TN-AR-MS.....	.9352
Crittenden, AR.....	
De Soto, MS.....	
Shelby, TN.....	
Tipton, TN.....	
Merced, CA.....	1.0219
Merced, CA.....	
*Miami-Hialeah, FL.....	1.0135
Dade, FL.....	
*Middlesex-Somerset-Hunterdon, NJ.....	1.0279
Hunterdon, NJ.....	
Middlesex, NJ.....	
Somerset, NJ.....	
Midland, TX.....	1.0263
Midland, TX.....	
*Milwaukee, WI.....	.9613
Milwaukee, WI.....	
Ozaukee, WI.....	
Washington, WI.....	
Waukesha, WI.....	
*Minneapolis-St. Paul, MN-WI.....	1.0560
Anoka, MN.....	
Carver, MN.....	
Chisago, MN.....	
Dakota, MN.....	
Hennepin, MN.....	
Isanti, MN.....	
Ramsey, MN.....	
Scott, MN.....	
Washington, MN.....	
Wright, MN.....	
St. Croix, WI.....	
Mobile, AL.....	.8822
Baldwin, AL.....	
Mobile, AL.....	
Modesto, CA.....	1.1065
Stanislaus, CA.....	
Monmouth-Ocean, NJ.....	.9938
Monmouth, NJ.....	
Ocean, NJ.....	
Monroe, LA.....	.8488
Ouachita, LA.....	
Montgomery, AL.....	.8395
Autauga, AL.....	
Elmore, AL.....	
Montgomery, AL.....	
Muncie, IN.....	.8638
Delaware, IN.....	
Muskegon, MI.....	.9649
Muskegon, MI.....	
Naples, FL.....	1.0227
Collier, FL.....	
Nashville, TN.....	.9589

TABLE 2a.—GEOGRAPHIC ADJUSTMENT FACTOR FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geographic adjustment factor
Cheatham, TN.....	
Davidson, TN.....	
Dickson, TN.....	
Robertson, TN.....	
Rutherford, TN.....	
Sumner, TN.....	
Williamson, TN.....	
Wilson, TN.....	
*Nassau-Suffolk, NY.....	1.1747
Nassau, NY.....	
Suffolk, NY.....	
New Bedford-Fall River-Attleboro, MA.....	1.1150
Bristol, MA.....	
New Haven-Waterbury-Meriden, CT.....	1.1398
New Haven, CT.....	
New London-Norwich, CT.....	1.1058
New London, CT.....	
*New Orleans, LA.....	.9239
Jefferson, LA.....	
Orleans, LA.....	
St. Bernard, LA.....	
St. Charles, LA.....	
St. John The Baptist, LA.....	
St. Tammany, LA.....	
*New York, NY.....	1.2268
Bronx, NY.....	
Kings, NY.....	
New York City, NY.....	
Putnam, NY.....	
Queens, NY.....	
Richmond, NY.....	
Rockland, NY.....	
Westchester, NY.....	
*Newark, NJ.....	1.0835
Essex, NJ.....	
Morris, NJ.....	
Sussex, NJ.....	
Union, NJ.....	
Niagara Falls, NY.....	.8262
Niagara, NY.....	
*Norfolk-Virginia Beach-Newport News, VA.....	.8963
Chesapeake City, VA.....	
Gloucester, VA.....	
Hampton City, VA.....	
James City Co., VA.....	
Newport News City, VA.....	
Norfolk City, VA.....	
Poquoson, VA.....	
Portsmouth City, VA.....	
Suffolk City, VA.....	
Virginia Beach City, VA.....	
Williamsburg City, VA.....	
York, VA.....	
*Oakland, CA.....	1.2917
Alameda, CA.....	
Contra Costa, CA.....	
Ocala, FL.....	.9035
Marion, FL.....	
Odessa, TX.....	1.0574
Ector, TX.....	
Oklahoma City, OK.....	.9412
Canadian, OK.....	
Cleveland, OK.....	
Logan, OK.....	
McClain, OK.....	
Oklahoma, OK.....	
Pottawatomie, OK.....	
Olympia, WA.....	1.0682
Thurston, WA.....	
Omaha, NE-IA.....	.9302

TABLE 2a.—GEOGRAPHIC ADJUSTMENT  
FACTOR FOR URBAN AREAS—Continued[Areas that qualify as large urban areas are  
designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geograph- ic adjustment factor
Pottawattamie, IA	
Douglas, NE	
Sarpy, NE	
Washington, NE	
Orange County, NY	.9449
Orange, NY	
*Orlando, FL	.9744
Orange, FL	
Osceola, FL	
Seminole, FL	
Owensboro, KY	.8699
Daviess, KY	
Oxnard-Ventura, CA	1.1389
Ventura, CA	
Panama City, FL	.9047
Bay, FL	
Parkersburg-Marietta, WV-OH	.8981
Washington, OH	
Wood, WV	
Pascagoula, MS	.9135
Jackson, MS	
Pensacola, FL	.9041
Escambia, FL	
Santa Rosa, FL	
Peoria, IL	.9103
Peoria, IL	
Tazewell, IL	
Woodford, IL	
*Philadelphia, PA-NJ	1.0649
Burlington, NJ	
Camden, NJ	
Gloucester, NJ	
Bucks, PA	
Chester, PA	
Delaware, PA	
Montgomery, PA	
Philadelphia, PA	
*Phoenix, AZ	1.0298
Maricopa, AZ	
Pine Bluff, AR	.8494
Jefferson, AR	
*Pittsburgh, PA	1.0094
Allegheny, PA	
Fayette, PA	
Washington, PA	
Westmoreland, PA	
Pittsfield, MA	1.0536
Berkshire, MA	
Ponce, PR	.5881
Juana Diaz, PR	
Ponce, PR	
Portland, ME	.9515
Cumberland, ME	
Sagadahoc, ME	
York, ME	
*Portland, OR	1.1059
Clackamas, OR	
Multnomah, OR	
Washington, OR	
Yamhill, OR	
Portsmouth-Dover-Rochester, NH	1.0079
Rockingham, NH	
Strafford, NH	
Poughkeepsie, NY	1.0310
Dutchess, NY	
*Providence-Pawtucket-Woonsocket, RI	1.0445
Bristol, RI	
Kent, RI	
Newport, RI	
Providence, RI	
Washington, RI	
Provo-Orem, UT	1.0163

TABLE 2a.—GEOGRAPHIC ADJUSTMENT  
FACTOR FOR URBAN AREAS—Continued[Areas that qualify as large urban areas are  
designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geograph- ic adjustment factor
Utah, UT	
Pueblo, CO	.9112
Pueblo, CO	
Racine, WI	.8913
Racine, WI	
Raleigh-Durham, NC	.9637
Durham, NC	
Franklin, NC	
Orange, NC	
Wake, NC	
Rapid City, SD	.8880
Pennington, SD	
Reading, PA	.9373
Berks, PA	
Redding, CA	1.0380
Shasta, CA	
Reno, NV	1.1088
Washoe, NV	
Richland-Kennewick, WA	.9592
Benton, WA	
Franklin, WA	
Richmond-Petersburg, VA	.9603
Charles City Co., VA	
Chesterfield, VA	
Colonial Heights City, VA	
Dinwiddie, VA	
Goochland, VA	
Hanover, VA	
Henrico, VA	
Hopewell City, VA	
New Kent, VA	
Petersburg City, VA	
Powhatan, VA	
Prince George, VA	
Richmond City, VA	
*Riverside-San Bernardino, CA	1.0735
Riverside, CA	
San Bernardino, CA	
Roanoke, VA	.8796
Botetourt, VA	
Roanoke, VA	
Roanoke City, VA	
Salem City, VA	
Rochester, MN	1.0700
Olmsted, MN	
*Rochester, NY	.9807
Livingston, NY	
Monroe, NY	
Ontario, NY	
Orleans, NY	
Wayne, NY	
Rockford, IL	.9509
Boone, IL	
Winnebago, IL	
*Sacramento, CA	1.1487
Eldorado, CA	
Placer, CA	
Sacramento, CA	
Yolo, CA	
Saginaw-Bay City-Midland, MI	1.0313
Bay, MI	
Midland, MI	
Saginaw, MI	
St. Cloud, MN	.9252
Benton, MN	
Sherburne, MN	
Stearns, MN	
St. Joseph, MO	.9600
Buchanan, MO	
*St. Louis, MO-IL	.9583

TABLE 2a.—GEOGRAPHIC ADJUSTMENT  
FACTOR FOR URBAN AREAS—Continued[Areas that qualify as large urban areas are  
designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geograph- ic adjustment factor
Clinton, IL	
Jersey, IL	
Madison, IL	
Monroe, IL	
St. Clair, IL	
Franklin, MO	
Jefferson, MO	
St. Charles, MO	
St. Louis, MO	
St. Louis City, MO	
Salem, OR	1.0309
Marion, OR	
Polk, OR	
Salinas-Seaside-Monterey, CA	1.2001
Monterey, CA	
*Salt Lake City-Ogden, UT	.9960
Davis, UT	
Salt Lake, UT	
Weber, UT	
San Angelo, TX	.8691
Tom Green, TX	
*San Antonio, TX	.8911
Bexar, TX	
Comal, TX	
Guadalupe, TX	
*San Diego, CA	1.1294
San Diego, CA	
*San Francisco, CA	1.2908
Marin, CA	
San Francisco, CA	
San Mateo, CA	
*San Jose, CA	1.2995
Santa Clara, CA	
*San Juan, PR	6213
Barcelona, PR	
Bayamon, PR	
Canovanas, PR	
Carolina, PR	
Catano, PR	
Corozal, PR	
Dorado, PR	
Fajardo, PR	
Florida, PR	
Guaynabo, PR	
Humacao, PR	
Juncos, PR	
Los Piedras, PR	
Loiza, PR	
Luguillo, PR	
Manati, PR	
Naranjito, PR	
Rio Grande, PR	
San Juan, PR	
Toa Alta, PR	
Toa Baja, PR	
Trojillo Alto, PR	
Vega Alta, PR	
Vega Baja, PR	
Santa Barbara-Santa Maria-Lompoc, CA	1.1187
Santa Barbara, CA	
Santa Cruz, CA	1.1219
Santa Cruz, CA	
Santa Fe, NM	.9424
Los Alamos, NM	
Santa Fe, NM	
Santa Rosa-Petaluma, CA	1.1948
Sonoma, CA	
Sarasota, FL	.9856
Sarasota, FL	
Savannah, GA	.8827

TABLE 2a.—GEOGRAPHIC ADJUSTMENT FACTOR FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geographic adjustment factor
Chatham, GA	
Ffingham, GA	
Scranton-Wilkes Barre, PA	.9249
Columbia, PA	
Lackawanna, PA	
Luzerne, PA	
Monroe, PA	
Wyoming, PA	
*Seattle, WA	1.0595
King, WA	
Snohomish, WA	
Sharon, PA	.9431
Mercer, PA	
Sheboygan, WI	.9219
Sheboygan, WI	
Sherman-Denison, TX	.9372
Grayson, TX	
Shreveport, LA	.9521
Bossier, LA	
Caddo, LA	
Sioux City, IA-NE	.8955
Woodbury, IA	
Dakota, NE	
Sioux Falls, SD	.9191
Minnehaha, SD	
South Bend-Mishawaka, IN	1.0052
St. Joseph, IN	
Spokane, WA	1.0475
Spokane, WA	
Springfield, IL	.9518
Menard, IL	
Sangamon, IL	
Springfield, MO	.8648
Christian, MO	
Greene, MO	
Springfield, MA	.9747
Hampden, MA	
Hampshire, MA	
State College, PA	.9938
Centre, PA	
Steubenville-Weirton, OH-WV	.9105
Jefferson, OH	
Brooke, WV	
Hancock, WV	
Stockton, CA	1.1085
San Joaquin, CA	
Syracuse, NY	.9704
Madison, NY	
Onondaga, NY	
Oswego, NY	
Tacoma, WA	.9916
Pierce, WA	
Tallahassee, FL	.9465
Gadsden, FL	
Leon, FL	
*Tampa-St. Petersburg-Clearwater, FL	.9442
Hernando, FL	
Hillsborough, FL	
Pasco, FL	
Pinellas, FL	
Terre Haute, IN	.9138
Clay, IN	
Vigo, IN	
Texarkana-TX-Texarkana, AR	.8620
Miller, AR	
Bowie, TX	
Toledo, OH	.9305
Fulton, OH	
Lucas, OH	
Wood, OH	
Topeka, KS	.9523
Shawnee, KS	
Tranton, NJ	1.0147

TABLE 2a.—GEOGRAPHIC ADJUSTMENT FACTOR FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geographic adjustment factor
Mercer, NJ	
Tucson, AZ	.9744
Pima, AZ	
Tulsa, OK	.8976
Creeks, OK	
Osage, OK	
Rogers, OK	
Tulsa, OK	
Wagoner, OK	
Tuscaloosa, AL	.8968
Tuscaloosa, AL	
Tyler, TX	.9895
Smith, TX	
Utica-Rome, NY	.8702
Herkimer, NY	
Oneida, NY	
Vallejo-Fairfield-Napa, CA	1.1923
Napa, CA	
Solano, CA	
Vancouver, WA	1.0489
Clark, WA	
Victoria, TX	.9305
Victoria, TX	
Vineland-Millville-Bridgeton, NJ	.9841
Cumberland, NJ	
Visalia-Tulare-Porterville, CA	1.0274
Tulare, CA	
Waco, TX	.8452
McLennan, TX	
*Washington, DC-MD-VA	1.0642
District of Columbia, DC	
Calvert, MD	
Charles, MD	
Frederick, MD	
Montgomery, MD	
Prince Georges, MD	
Alexandria City, VA	
Arlington, VA	
Fairfax, VA	
Fairfax City, VA	
Falls Church City, VA	
Loudoun, VA	
Manassas City, VA	
Manassas Park City, VA	
Prince William, VA	
Stafford, VA	
Waterloo-Cedar Falls, IA	.9055
Black Hawk, IA	
Bremer, IA	
Wausau, WI	.9833
Marathon, WI	
West Palm Beach-Boca Raton-Delray Beach, FL	1.0059
Beach, FL	
Palm Beach, FL	
Wheeling, WV-OH	.8655
Belmont, OH	
Marshall, WV	
Ohio, WV	
Wichita, KS	.9875
Butler, KS	
Harvey, KS	
Sedgwick, KS	
Wichita Falls, TX	.8714
Wichita, TX	
Williamsport, PA	.9213
Lycorning, PA	
Wilmington, DE-NJ-MD	1.0594
New Castle, DE	
Cecil, MD	
Salem, NJ	
Wilmington, NC	.9105
New Hanover, NC	
Worcester-Fitchburg-Leominster MA	1.0501

TABLE 2a.—GEOGRAPHIC ADJUSTMENT FACTOR FOR URBAN AREAS—Continued

[Areas that qualify as large urban areas are designated with an asterisk]

Urban area (constituent counties or county equivalents)	Geographic adjustment factor
Worcester, MA	
Yakima, WA	1.008*
Yakima, WA	
York, PA	.9290
Adams, PA	
York, PA	
Youngstown-Warren, OH	.9914
Mahoning, OH	
Trumbull, OH	
Yuba City, CA	1.0120
Sutter, CA	
Yuba, CA	
Yuma, AZ	.9228

TABLE 2B.—GEOGRAPHIC ADJUSTMENT FACTORS FOR RURAL AREAS

Nonurban area	Geographic adjustment factor
Alabama	0.7930
Alaska	1.2300
Arizona	0.9022
Arkansas	0.7812
California	1.0103
Colorado	0.8886
Connecticut	1.1275
Delaware	0.9004
Florida	0.9118
Georgia	0.8413
Hawaii	0.9743
Idaho	0.9276
Illinois	0.8366
Indiana	0.8441
Iowa	0.8237
Kansas	0.8177
Kentucky	0.8435
Louisiana	0.8130
Maine	0.8847
Maryland	0.8634
Massachusetts	1.1150
Michigan	0.9177
Minnesota	0.8814
Mississippi	0.7805
Missouri	0.7999
Montana	0.8774
Nebraska	0.7834
Nevada	0.9801
New Hampshire	0.9693
New Jersey	
New Mexico	0.8820
New York	0.8881
North Carolina	0.8500
North Dakota	0.8381
Ohio	0.8919
Oklahoma	0.8142
Oregon	0.9735
Pennsylvania	0.9034
Puerto Rico	0.5643
Rhode Island	
South Carolina	0.8329
South Dakota	0.7966
Tennessee	0.8097
Texas	0.8284
Utah	0.9341
Vermont	0.9736
Virginia	0.8452
Washington	0.9755
West Virginia	0.8947

TABLE 2B.—GEOGRAPHIC ADJUSTMENT FACTORS FOR RURAL AREAS—Continued

Nonurban area	Geographic adjustment factor
Wisconsin .....	0.8913
Wyoming .....	0.8922

<sup>1</sup> All counties within the State are classified urban.

TABLE 2.—GEOGRAPHIC ADJUSTMENT FACTORS FOR HOSPITALS THAT ARE RECLASSIFIED

Area reclassified to—	Geographic adjustment factor
Abilene, TX .....	0.9611
Akron, OH .....	0.9315
Albany, GA .....	0.8287
Albany-Schenectady-Troy, NY .....	0.9255
Albany-Schenectady-Troy, NY (Vermont Hospitals) .....	0.9736
Albuquerque, NM .....	0.9966
Alexandria, LA .....	0.8790
Allentown-Bethlehem-Easton, PA-NJ .....	0.9491
Altoona, PA .....	0.9478
Amarillo, TX .....	0.9124
Anaheim-Santa Ana, CA .....	1.1266
Anchorage, AK .....	1.2608
Ann Arbor, MI .....	1.0723
Appleton-Oshkosh-Neenah, WI .....	0.9305
Asheville, NC .....	0.8941
Atlanta, GA .....	0.9727
Augusta, GA-SC .....	0.9591
Aurora-Elgin, IL .....	0.9289
Baltimore, MD .....	1.0113
Bangor, ME .....	0.9355
Baton Rouge, LA .....	0.9372
Battle Creek, MI .....	0.9380
Beaver County, PA .....	0.9779
Benton Harbor, MI .....	0.8371
Benton Harbor, MI (Michigan Hospitals) .....	0.9177
Billings, MT .....	0.9373
Biloxi-Gulfport, MS .....	0.8522
Binghamton, NY .....	0.9270
Birmingham, AL .....	0.9145
Bismarck, ND .....	0.9198
Bloomington, IN .....	0.8471
Boise City, ID .....	1.0082
Boston-Lawrence-Salem-Lowell-Brockton, MA .....	1.1110
Boston-Lawrence-Salem-Lowell-Brockton, MA (Massachusetts Hospitals) .....	1.1150
Bremerton, WA .....	1.0255
Buffalo, NY .....	0.9160
Burlington, VT .....	0.9322
Burlington, VT (Vermont Hospitals) .....	0.9736
Caguas, PR .....	0.5869
Canton, OH .....	0.8919
Casper, WY .....	0.9232
Charleston, SC .....	0.8713
Charleston, WV .....	0.9688
Charlotte-Gastonia-Rock Hill, NC-SC .....	0.9533
Charlottesville, VA .....	0.9573
Chattanooga, TN-GA .....	0.9311
Cheyenne, WY .....	0.8383
Chicago, IL .....	1.0358
Chico, CA .....	1.0716
Cincinnati, OH-KY-IN .....	0.9883
Cleveland, OH .....	1.0329
Columbia, MO .....	0.9496
Columbia, SC .....	0.9130
Columbus, GA-AL .....	0.8270
Columbus, OH .....	0.9674
Corpus Christi, TX .....	0.9020
Dallas, TX .....	0.9618

TABLE 2.—GEOGRAPHIC ADJUSTMENT FACTORS FOR HOSPITALS THAT ARE RECLASSIFIED—Continued

Area reclassified to—	Geographic adjustment factor
Davenport-Rock Island-Moline, IA-IL .....	0.8838
Dayton-Springfield, OH .....	0.9375
Daytona Beach, FL .....	0.9269
Denver, CO .....	1.0519
Des Moines, IA .....	0.9340
Detroit, MI .....	1.0566
Dothan, AL .....	0.8269
Dubuque, IA .....	0.8677
Dubuque, IA (Wisconsin Hospitals) .....	0.8913
Duluth, MN-WI .....	0.9673
Eau Claire, WI .....	0.8943
Elkhart-Goshen, IN .....	0.9011
Elmira, NY .....	0.9090
Enid, OK .....	0.8888
Erie, PA .....	0.9420
Eugene-Springfield, OR .....	1.0119
Evansville, IN-KY .....	0.9504
Fargo-Moorhead, ND-MN .....	0.9533
Fayetteville, NC .....	0.8500
Fayetteville-Springdale, AR .....	0.8581
Flint, MI .....	1.0904
Florence, AL .....	0.8379
Florence, SC .....	0.8901
Fort Lauderdale-Hollywood-Pompano Beach, FL .....	1.0261
Fort Myers-Cape Coral, FL .....	0.9868
Fort Pierce, FL .....	1.0213
Fort Walton Beach, FL .....	0.9268
Fort Wayne, IN .....	0.9070
Fort Worth-Arlington, TX .....	0.9653
Fresno, CA .....	1.0429
Galveston-Texas City, TX .....	0.9626
Gary-Hammond, IN .....	0.9252
Grand Forks, ND .....	0.9456
Grand Rapids, MI .....	0.9926
Great Falls, MT .....	0.9536
Greeley, CO .....	0.9561
Green Bay, WI .....	0.9543
Greensboro-Winston-Salem-High Point, NC .....	0.9242
Greenville-Spartanburg, SC .....	0.9138
Hagerstown, MD .....	0.9138
Hamilton-Middletown, OH .....	0.8750
Harrisburg-Lebanon-Carlisle, PA .....	0.9612
Hartford-Middletown-New Britain-Bristol, CT .....	1.1216
Hickory, NC .....	0.9013
Honolulu, HI .....	1.1064
Houston, TX .....	0.9854
Huntington-Ashland, WV-KY-OH .....	0.9489
Huntsville, AL .....	0.8938
Indianapolis, IN .....	0.9731
Iowa City, IA .....	0.9540
Jackson, MI .....	0.9185
Jackson, MS .....	0.8391
Jackson, TN .....	0.8560
Jacksonville, FL .....	0.9346
Johnson City-Kingsport-Bristol, TN-VA .....	0.9073
Joliet, IL .....	1.0151
Joplin, MO .....	0.8500
Kalamazoo, MI .....	1.0841
Kansas City, KS-MO .....	0.9722
Knoxville, TN .....	0.9090
Kokomo, IN .....	0.9249
LaCrosse, WI .....	0.9150
Lafayette, LA .....	0.8754
Lafayette, IN .....	0.8903
Lake Charles, LA .....	0.8862
Lancaster, PA .....	0.9491
Lansing-East Lansing, MI .....	1.0082
Las Vegas, NV .....	1.0435
Lawton, OK .....	0.8790
Lewiston-Auburn, ME .....	0.9350
Lexington-Fayette, KY .....	0.8825

TABLE 2.—GEOGRAPHIC ADJUSTMENT FACTORS FOR HOSPITALS THAT ARE RECLASSIFIED—Continued

Area reclassified to—	Geographic adjustment factor
Lincoln, NE .....	0.8924
Little Rock-North Little Rock, AR .....	0.8776
Longview-Marshall, TX .....	0.9090
Lorain-Elvira, OH .....	0.9246
Los Angeles-Long Beach, CA .....	1.1565
Louisville, KY-IN .....	0.9288
Lubbock, TX .....	0.9160
Lynchburg, VA .....	0.8872
Macon-Warner Robins, GA .....	0.9037
Madison, WI .....	1.0016
Manchester-Nashua, NH .....	1.0095
Mansfield, OH .....	0.8919
Medford, OR .....	0.9927
Memphis, TN-AR-MS .....	0.9225
Midland, TX .....	1.0263
Milwaukee, WI .....	0.9720
Minneapolis-St. Paul, MN-WI .....	1.0560
Mobile, AL .....	0.8822
Modesto, CA .....	1.1065
Monroe, LA .....	0.8408
Montgomery, AL .....	0.8395
Muncie, IN .....	0.8638
Muskegon, MI .....	0.9649
Nashville, TX .....	0.9589
New London-Norwich, CT .....	1.0855
New Orleans, LA .....	0.9239
New York, NY .....	1.2268
Newark, NJ .....	1.0835
Norfolk-Virginia Beach-Newport, VA .....	0.8963
Oakland, CA .....	1.2917
Odessa, TX .....	1.0574
Oklahoma City, OK .....	0.9412
Olympia, WA .....	1.0272
Omaha, NE-IA .....	0.9302
Orange County, NY .....	0.9449
Orlando, FL .....	0.9744
Owensboro, KY .....	0.8699
Parkersburg-Marietta, WV-OH .....	0.8981
Peoria, IL .....	0.9103
Philadelphia, PA-NJ .....	1.0577
Phoenix, AZ .....	1.0298
Pine Bluff, AR .....	0.8409
Pittsburgh, PA .....	1.0094
Portland, ME .....	0.9405
Portland, OR .....	1.1059
Portsmouth-Dover-Rochester, NH .....	1.0008
Poughkeepsie, NY .....	0.9982
Providence-Pawtucket-Woonsocket, RI .....	1.0445
Providence-Pawtucket-Woonsocket, RI (Massachusetts Hospitals) .....	1.1150
Provo-Orem, UT .....	1.0163
Raleigh-Durham, NC .....	0.9465
Rapid City, SD .....	0.8796
Reading, PA .....	0.9115
Redding, CA .....	1.0282
Reno, NV .....	1.0970
Roanoke, VA .....	0.8796
Rochester, NY .....	0.9720
Rockford, IL .....	0.9360
Sacramento, CA .....	1.1487
Saginaw-Bay City-Midland, MI .....	1.0105
St. Cloud, MN .....	0.9252
St. Louis, MO-IL .....	0.9583
Salem, OR .....	1.0166
Salinas-Seaside-Monterey, CA .....	1.1911
San Angelo, TX .....	0.8691
San Antonio, TX .....	0.8911
San Diego, CA .....	1.1294
San Francisco, CA .....	1.2839
San Jose, CA .....	1.2927
San Juan, PR .....	0.6213
Santa Barbara-Santa Maria-Lompoc, CA .....	1.1069
Santa Fe, NM .....	0.9424

TABLE 2.—GEOGRAPHIC ADJUSTMENT FACTORS FOR HOSPITALS THAT ARE RECLASSIFIED—Continued

Area reclassified to—	Geographic adjustment factor
Santa Rosa-Petaluma, CA.....	1.1948
Sarasota, FL.....	0.9719
Scranton-Wilkes Barre, PA.....	0.9249
Seattle, WA.....	1.0494
Sharon, PA.....	0.9356
Sheboygan, WI.....	0.9075
Shreveport, LA.....	0.9521
Sioux City, IA-NE.....	0.8825
Sioux Falls, SD.....	4.4480
South Bend-Mishawaka, IN.....	0.9790
Springfield, IL.....	0.9446
Springfield, MO.....	0.8558
State College, PA.....	0.9541
Steubenville-Weirton, OH-WV (Ohio Hospitals).....	0.8919
Steubenville-Weirton, OH-WV (West Virginia Hospitals).....	0.8947
Syracuse, NY.....	0.9589
Tacoma, WA.....	0.9916
Tallahassee, FL.....	0.9205
Tampa-St. Petersburg-Clearwater, FL.....	0.9442
Terre Haute, IN.....	0.9061
Texarkana, TX-Texarkana, AR.....	0.8620
Toledo, OH.....	0.9305

TABLE 2.—GEOGRAPHIC ADJUSTMENT FACTORS FOR HOSPITALS THAT ARE RECLASSIFIED—Continued

Area reclassified to—	Geographic adjustment factor
Topeka, KS.....	0.9523
Tucson, AZ.....	0.9744
Tulsa, OK.....	0.8976
Tuscaloosa, AL.....	0.8798
Tyler, TX.....	0.9563
Vancouver, WA.....	1.0077
Victoria, TX.....	0.9305
Waco, TX.....	0.8452
Washington, D.C.-MD-VA.....	1.0642
Waterloo-Cedar Falls, IA.....	0.9055
Wausau, WI.....	0.9413
West Palm Beach-Boca Raton-Delray Beach, FL.....	1.0059
Wichita, KS.....	0.9722
Wichita Falls, TX.....	0.8714
Williamsport, PA.....	0.9101
Wilmington, NC.....	0.9105
Yakima, WA.....	0.9997
Youngstown-Warren, OH.....	0.9677
Rural California.....	1.0103
Rural Georgia.....	0.8413
Rural Illinois.....	0.8366
Rural Indiana.....	0.8441
Rural Iowa.....	0.8237

TABLE 2.—GEOGRAPHIC ADJUSTMENT FACTORS FOR HOSPITALS THAT ARE RECLASSIFIED—Continued

Area reclassified to—	Geographic adjustment factor
Rural Kansas.....	0.8177
Rural Kentucky.....	0.8435
Rural Louisiana.....	0.8130
Rural Michigan.....	0.9177
Rural Minnesota.....	0.8814
Rural Missouri.....	0.7999
Rural Nevada.....	0.9577
Rural New Hampshire.....	0.9693
Rural North Carolina.....	0.8500
Rural Ohio.....	0.8919
Rural Oklahoma.....	0.8142
Rural Pennsylvania.....	0.9034
Rural South Dakota.....	0.7966
Rural Utah.....	0.9341
Rural Washington.....	0.9621
Rural West Virginia.....	0.8947
Rural Wisconsin.....	0.8913
Rural Wyoming.....	0.8799

BILLING CODE 4120-03-M



Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

Page 1 of 52

PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
	BEGIN	END				BEGIN	END		
010001	10/01/89	09/30/90	1.2937	0.9884	010088	07/01/89	06/30/90	1.1829	0.9931
010004	10/01/89	09/30/90	0.9675	0.9583	010069	10/01/89	09/30/90	1.1197	0.9619
010005	10/01/89	09/30/90	1.1829	0.9788	010072	07/01/89	06/30/90	1.1608	0.9690
010006	07/01/89	06/30/90	1.3047	0.9872	010073	10/01/89	09/30/90	0.9635	0.9489
010007	10/01/89	09/30/90	1.1364	0.9706	010078	07/01/89	06/30/90	1.2147	0.9868
010008	10/01/89	09/30/90	1.0567	0.9895	010079	10/01/89	09/30/90	1.1816	0.9742
010009	08/01/89	07/31/90	1.0803	0.9726	010080	04/01/88	01/24/90	0.9806	0.9685
010010	10/01/89	09/30/90	1.0974	0.9704	010081	09/01/89	08/31/90	1.7023	0.9967
010011	07/01/89	06/30/90	1.3789	0.9880	010083	10/01/89	09/30/90	1.1254	0.9704
010012	07/01/89	06/30/90	1.2689	0.9838	010084	12/01/89	12/31/90	1.3013	0.9951
010015	04/01/89	03/31/90	1.2168	0.9878	010085	07/01/89	06/30/90	1.3136	0.9768
010016	10/01/89	09/30/90	1.1426	0.9886	010086	07/01/89	06/30/90	0.8994	0.8738
010018	07/01/89	06/30/90	0.8587	0.9865	010087	10/01/89	09/30/90	1.3375	0.9866
010019	10/01/89	09/30/90	1.1827	0.9833	010089	07/01/89	06/30/90	1.0464	0.9849
010020	07/01/89	06/30/90	1.0824	0.9874	010090	07/01/89	06/30/90	1.4846	0.8992
010021	10/01/89	09/30/90	1.3021	0.9587	010091	07/01/89	06/30/90	1.0033	0.9728
010022	07/01/89	06/30/90	0.9979	0.9887	010092	10/01/89	09/30/90	1.3111	1.0000
010023	07/01/89	06/30/90	1.2944	0.9896	010094	09/01/89	08/31/90	1.2341	0.9711
010024	07/01/89	06/30/90	1.2303	0.8912	010095	10/01/89	09/30/90	1.1164	0.9481
010025	07/01/89	06/30/90	1.2201	0.9706	010096	10/01/89	09/30/90	0.9314	0.9621
010027	10/01/89	09/30/90	0.9018	0.9627	010097	10/01/89	09/30/90	1.0544	0.9863
010028	10/01/89	01/12/90	1.1256	0.9829	010098	07/01/89	06/30/90	1.0694	0.9795
010029	07/01/89	09/30/90	1.4347	0.9970	010099	10/01/89	09/30/90	1.0349	0.9690
010031	07/01/89	06/30/90	1.2332	0.9851	010100	10/01/89	09/30/90	1.2366	0.9833
010032	01/01/90	12/31/90	0.8511	0.8584	010101	07/01/89	06/30/90	1.0344	0.9782
010033	07/01/89	09/30/90	1.8975	0.9869	010102	10/01/89	09/30/90	0.9175	0.9422
010034	07/01/89	06/30/90	0.7622	0.9751	010103	07/01/89	06/30/90	1.4621	0.9994
010035	10/01/89	09/30/90	1.1610	0.8849	010104	07/01/89	06/30/90	1.5265	0.9884
010036	04/01/89	03/31/90	1.1007	0.9734	010108	11/01/89	10/31/90	1.1172	0.9810
010038	07/01/89	06/30/90	1.1922	0.8846	010109	10/01/89	09/30/90	1.1099	0.9876
010039	07/01/89	06/30/90	1.5859	0.9875	010110	10/01/89	09/30/90	0.9056	0.8604
010040	01/01/90	12/31/90	1.2300	0.8891	010112	10/01/89	09/30/90	1.1406	0.9720
010043	10/01/89	09/30/90	0.9895	0.9508	010113	04/01/89	03/31/90	1.4667	0.9983
010044	10/01/89	09/30/90	1.0136	0.8779	010114	07/01/89	06/30/90	1.2069	0.9907
010045	10/01/89	09/30/90	1.0604	0.8608	010115	10/01/89	09/30/90	0.9219	0.9509
010046	07/01/89	06/30/90	1.2699	0.9949	010117	10/01/89	09/30/90	1.0304	0.9753
010047	10/01/89	03/30/90	0.8822	0.8662	010118	07/01/89	06/30/90	1.1856	0.9851
010049	09/01/89	08/31/90	1.1325	0.9772	010119	08/01/89	09/30/90	1.3230	0.9954
010050	07/01/89	06/30/90	0.9286	0.9633	010120	10/01/89	09/30/90	0.9423	0.9680
010051	10/01/89	08/30/90	0.9737	0.9385	010121	07/01/89	06/30/90	1.0799	0.9859
010052	10/01/89	09/30/90	1.0057	0.9254	010122	01/01/90	12/31/90	0.9514	0.9772
010053	07/01/89	06/30/90	1.0272	0.9644	010123	09/01/89	08/31/90	1.2261	0.9770
010054	07/01/89	06/30/90	1.1382	0.9856	010124	09/01/89	08/31/90	1.2416	0.9874
010055	07/01/89	06/30/90	1.3201	0.9878	010125	10/01/89	09/30/90	1.0126	0.9569
010056	07/01/89	06/30/90	1.3101	0.9954	010126	10/01/89	09/30/90	1.0632	0.9730
010057	10/01/89	09/30/90	1.0601	0.9815	010127	09/01/89	08/31/90	1.4948	0.9868
010058	07/01/89	06/30/90	1.0422	0.9610	010128	07/01/89	06/30/90	0.8809	0.9584
010059	10/01/89	09/30/90	1.0139	0.9538	010129	10/01/89	09/30/90	1.0259	0.8669
010061	10/01/89	09/30/90	0.8874	0.8559	010130	10/01/89	09/30/90	1.0277	0.9735
010062	10/01/89	09/30/90	1.0025	0.9776	010131	07/01/89	06/30/90	1.2412	0.9952
010064	07/01/89	06/30/90	1.4905	0.9994	010134	04/01/89	03/31/90	0.8783	0.9321
010065	01/01/90	12/31/90	1.2382	0.9576	010136	05/01/89	04/30/90	0.9936	0.9721
010066	07/01/89	06/30/90	0.9226	0.9376	010137	10/01/89	09/30/90	1.3162	0.9932

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

Page 2 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
010138	07/01/89	06/30/90	0.9908	0.9079	030036	01/01/90	12/31/90	1.2840	0.9892
010139	01/01/90	12/31/90	1.4488	0.9978	030037	07/01/89	06/30/90	1.7361	0.9978
010140	01/01/89	09/30/90	1.1585	0.9702	030038	10/01/89	08/30/90	1.4502	0.9895
010141	01/01/89	12/31/90	1.3651	0.9890	030039	07/01/89	06/30/90	1.0057	0.9479
010142	02/01/89	01/31/90	1.2897	0.9955	030040	01/01/90	12/31/90	0.8225	0.9203
010143	02/01/89	09/30/90	1.1362	0.9761	030041	07/01/89	06/30/90	1.1159	0.9745
010144	07/01/89	06/30/90	0.9318	0.9421	030042	10/01/89	09/30/90	1.0992	0.9763
010145	08/31/90	1.3633	0.9913	0.9913	030043	01/01/90	12/31/90	1.0301	0.9479
010146	04/01/89	03/31/90	1.0038	0.9911	030044	01/01/90	12/31/90	0.9623	0.9631
010147	10/01/89	09/30/90	1.2641	0.9891	030045	07/01/89	06/30/90	0.9271	0.9448
010148	01/01/89	09/30/90	1.5060	0.9911	030046	07/01/89	06/30/90	1.1187	0.9968
010149	01/01/89	12/31/90	1.1399	0.9584	030047	07/01/89	06/30/90	0.8160	0.9461
010150	07/01/89	06/30/90	1.1205	0.9563	030048	07/01/89	06/30/90	1.1798	0.9770
010151	07/01/89	06/30/90	0.9310	0.9032	030049	09/01/88	02/06/90	1.2215	0.9955
010152	10/01/89	12/31/90	1.0245	0.9770	030050	07/01/89	06/30/90	1.3492	0.9828
010153	01/01/89	06/30/90	0.8687	0.9824	030051	01/01/90	12/31/90	1.0941	0.9753
010154	07/01/89	06/30/90	0.9337	0.9872	030052	01/01/90	12/31/90	1.2805	0.9603
010155	07/01/89	06/30/90	0.8857	0.9769	030053	07/01/89	06/30/90	1.4342	0.9955
010156	07/01/89	06/30/90	0.8497	0.9379	030054	01/01/90	12/31/90	1.4433	0.9982
010157	07/01/89	06/30/90	0.8715	0.9389	030055	10/01/89	09/30/90	1.0443	0.9577
010158	01/01/90	12/31/90	1.2429	0.9839	030056	01/01/90	12/31/90	1.0120	0.9365
010159	01/01/90	08/31/90	0.8930	1.0000	030057	01/01/90	12/31/90	1.2449	0.9708
010160	07/01/89	06/30/90	1.0757	0.9769	030058	04/01/89	03/31/90	1.4413	0.9937
010161	09/01/89	08/31/90	1.3717	0.9857	030059	09/01/89	08/31/90	1.3953	0.9820
010162	07/01/89	06/30/90	1.0083	0.9511	030060	09/01/89	08/31/90	1.2944	0.9881
010163	01/01/90	12/31/90	0.7367	0.9837	030061	10/01/89	09/30/90	1.2718	0.9884
010164	01/01/90	12/31/90	1.3588	0.9837	030062	01/01/90	12/31/90	1.4505	0.9914
010165	01/01/90	12/31/90	1.6719	0.9967	030063	01/01/90	12/31/90	1.2881	0.9977
010166	07/01/89	06/30/90	1.3617	0.9937	030064	01/01/90	12/31/90	1.2126	0.9903
010167	10/01/89	09/30/90	0.9554	0.9767	030065	07/01/89	06/30/90	0.9107	0.8903
010168	07/01/89	06/30/90	1.4725	0.9988	030066	01/01/90	12/31/90	1.3940	0.9902
010169	07/01/89	06/30/90	1.3415	0.9782	030067	01/01/90	12/31/90	1.2701	0.9754
010170	09/01/89	08/31/90	1.7469	0.9886	030068	09/01/89	08/31/90	1.2856	1.0000
010171	07/01/89	06/30/90	1.2091	0.9899	030069	04/01/89	03/31/90	1.0135	0.9777
010172	07/01/89	06/30/90	1.3782	0.9889	030070	04/01/89	03/31/90	1.1629	0.9812
010173	07/01/89	06/30/90	1.2835	0.9880	030071	07/01/89	06/30/90	1.0268	0.9712
010174	01/01/90	12/31/90	1.2145	0.9810	030072	07/01/89	06/30/90	1.2597	0.9973
010175	10/01/89	09/30/90	1.1927	0.9897	030073	10/01/89	09/30/90	1.0344	0.9652
010176	01/01/90	12/31/90	1.4231	0.9867	030074	09/01/89	08/31/90	1.4844	0.9889
010177	07/01/89	06/30/90	1.1688	0.9859	030075	07/01/89	06/30/90	1.1031	0.9654
010178	07/01/89	06/30/90	1.3464	0.9958	030076	01/01/90	12/31/90	1.1127	0.9867
010179	01/01/90	12/31/90	1.5588	0.9897	030077	07/01/89	06/30/90	1.0093	0.9753
010180	07/01/89	06/30/90	1.2241	0.9936	030078	01/01/90	12/31/90	0.9906	0.9759
010181	07/01/89	06/30/90	1.3111	0.9964	030079	09/01/89	08/31/90	1.1274	0.9906
010182	01/01/90	12/31/90	1.1974	0.9818	030080	07/01/89	06/30/90	1.0576	0.9443
010183	07/01/89	06/30/90	1.5046	0.9986	030081	07/01/89	06/30/90	1.3735	0.9765
010184	01/01/90	12/31/90	1.1412	0.9516	030082	04/01/89	03/31/90	1.2440	0.9973
010185	07/01/89	06/30/90	1.0358	0.9877	030083	04/01/89	03/31/90	1.1553	0.9667
010186	07/01/89	06/30/90	1.6105	0.9993	030084	01/01/90	12/31/90	1.4364	0.9889
010187	09/01/89	08/31/90	1.3961	0.9757	030085	10/01/89	09/30/90	1.1954	0.9897
010188	04/01/89	03/31/90	1.1230	0.9174	030086	01/01/90	12/31/90	1.6319	0.9981
010189	01/01/90	12/31/90	1.2067	0.9823	030087	07/01/89	06/30/90		

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST BEGIN	REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST BEGIN	REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
040024	01/01/89	09/30/90	0.9542	0.9578	040105	10/01/89	09/30/90	1.0112	0.9594
040025	07/01/89	06/30/90	1.0483	0.9548	040106	10/01/89	09/30/90	1.0762	0.9346
040026	07/01/89	06/30/90	1.3448	0.9967	040107	01/01/89	09/30/90	1.0416	0.9754
040027	01/01/90	12/31/90	1.2445	0.9833	040109	07/01/89	06/30/90	1.1582	0.9718
040028	10/01/89	09/30/90	0.9678	0.9723	040114	01/01/90	12/31/90	1.6709	0.9993
040029	01/01/90	12/31/90	1.0823	0.9800	040115	10/01/89	09/30/90	1.0073	0.9894
040030	07/01/89	06/30/90	0.8817	0.9727	040116	03/01/89	02/28/90	1.2774	0.9990
040031	01/01/90	12/31/90	0.9227	0.9891	040118	01/01/90	12/31/90	1.1485	0.9846
040032	07/01/89	06/30/90	0.9898	0.9799	040119	10/01/89	09/30/90	1.1022	0.9864
040033	07/01/88	03/31/90	0.9080	0.9324	040122	10/01/89	09/30/90	1.0522	0.9590
040035	07/01/89	06/30/90	0.8814	0.9767	040124	07/01/89	06/30/90	1.0808	0.9700
040036	01/01/90	12/31/90	1.2015	0.9929	040126	07/01/89	06/30/90	1.0067	0.9423
040037	10/01/89	09/30/90	1.0410	0.9880	050002	10/01/89	09/30/90	1.3072	0.9853
040039	07/01/89	06/30/90	1.0832	0.9773	050006	07/01/89	06/30/90	1.2840	0.9998
040040	07/01/89	06/30/90	1.0131	0.9683	050007	01/01/90	12/31/90	1.4728	0.9977
040041	09/01/89	08/31/90	1.1513	0.9877	050008	01/01/90	12/31/90	1.4010	0.9940
040042	01/01/90	12/31/90	1.2598	0.9832	050009	07/01/89	06/30/90	1.6098	0.9949
040044	01/01/90	12/31/90	0.9170	0.9451	050013	01/01/90	12/31/90	2.0256	0.9963
040045	01/01/90	12/31/90	0.9559	0.9241	050014	07/01/89	06/30/90	1.1319	0.9572
040047	01/01/90	12/31/90	1.0185	0.9758	050015	07/01/89	06/30/90	1.4474	0.9624
040048	07/01/89	06/30/90	1.1304	0.9640	050016	01/01/90	12/31/90	1.1063	0.9843
040050	10/01/89	09/30/90	1.0246	0.9803	050017	04/01/89	03/31/90	1.7714	0.9982
040051	04/01/89	03/31/90	0.9228	0.9447	050018	12/01/89	12/31/90	1.1879	0.9969
040053	07/01/89	06/30/90	1.0777	0.9100	050019	07/01/89	06/30/90	0.8712	0.9471
040054	07/01/89	06/30/90	0.9597	0.9823	050021	09/01/89	08/31/90	1.3236	0.9884
040055	07/01/89	06/30/90	1.2495	0.9990	050022	01/01/90	12/31/90	1.4942	0.9974
040058	03/01/89	03/31/90	0.9429	0.9717	050024	01/01/90	12/31/90	1.4219	0.9924
040060	02/01/89	01/31/90	0.9944	0.9416	050025	07/01/89	06/30/90	1.5448	0.9984
040062	07/01/89	06/30/90	1.3175	0.9953	050026	07/01/89	06/30/90	1.4787	0.9936
040063	07/01/89	06/30/90	1.3843	0.9958	050028	07/01/89	06/30/90	1.2786	0.9937
040064	07/01/89	06/30/90	0.9001	0.9125	050029	07/01/89	06/30/90	1.3724	0.9875
040066	01/01/90	12/31/90	0.9495	0.9715	050030	12/01/89	11/30/90	1.2825	0.9929
040067	10/01/89	09/30/90	1.0704	0.9529	050032	09/01/89	08/31/90	1.1813	0.9918
040070	10/01/89	09/30/90	1.0150	0.9758	050033	07/01/89	06/30/90	1.3865	0.9942
040071	07/01/89	06/30/90	1.3487	0.9967	050034	06/01/89	05/31/90	1.2814	0.9859
040072	12/01/89	11/30/90	1.0647	0.9497	050036	07/01/89	06/30/90	1.6609	0.9994
040074	07/01/89	06/30/90	1.1395	0.9842	050038	07/01/89	06/30/90	1.3734	0.9885
040075	01/01/90	12/31/90	1.1252	0.9914	050039	07/01/89	06/30/90	1.5714	0.9985
040076	07/01/89	06/30/90	0.9571	0.9538	050040	07/01/89	06/30/90	1.1583	0.9518
040077	07/01/89	06/30/90	0.9227	0.9690	050041	06/01/89	05/31/90	1.1896	0.9800
040078	01/01/90	12/31/90	1.2204	0.9911	050042	07/01/89	06/30/90	1.1801	0.9696
040080	07/01/89	06/30/90	1.0579	0.9453	050043	09/01/89	08/31/90	1.4807	0.9981
040081	10/01/89	09/30/90	0.8500	0.9415	050045	07/01/89	06/30/90	1.2350	0.9866
040082	07/01/89	06/30/90	1.1225	0.9626	050046	05/01/89	05/31/90	1.1887	0.9832
040084	07/01/89	06/30/90	1.1502	0.9793	050047	06/18/89	06/16/90	1.5627	0.9973
040085	01/01/90	12/31/90	1.1271	0.9746	050049	08/01/89	07/31/90	1.3202	0.9995
040088	07/01/89	06/30/90	1.1597	0.9885	050051	07/01/89	06/30/90	1.1682	0.9727
040090	07/01/89	06/30/90	0.9505	0.9276	050053	01/01/90	12/31/90	1.2483	0.9969
040091	07/01/89	06/30/90	1.0507	0.9633	050055	07/01/89	06/30/90	1.2616	0.9935
040093	07/01/89	06/30/90	0.9787	0.9658	050056	07/01/89	06/30/90	1.3103	0.9970
040095	07/01/89	06/30/90	0.9315	0.9439	050057	07/01/89	06/30/90	1.3745	0.9948
040100	01/01/90	12/31/90	1.1038	0.9874	050058	10/01/89	09/30/90	1.3796	0.9981

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments  
to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
	BEGIN	END				BEGIN	END		
050060	09/01/89	08/31/90	1.4000	0.9971	050124	07/01/89	06/30/90	1.2221	0.9885
050061	09/01/89	08/31/90	1.2704	0.9918	050125	11/01/90	12/31/90	1.3423	0.9897
050063	07/01/89	06/30/90	1.3492	0.9967	050126	11/01/89	10/31/90	1.3320	0.9974
050065	04/01/89	03/31/90	1.5364	0.9922	050127	10/01/89	09/30/90	1.3023	0.9872
050066	04/01/89	03/31/90	1.2846	0.9952	050128	07/01/89	06/30/90	1.4394	0.9936
050067	07/01/89	06/30/90	1.2513	0.9873	050129	07/01/89	06/30/90	1.5320	0.9949
050068	07/01/89	06/30/90	1.0165	0.9691	050131	01/01/90	12/31/90	1.2509	0.9827
050069	07/01/89	06/30/90	1.5871	0.9985	050132	10/01/89	09/30/90	1.3175	0.9938
050070	01/01/90	12/31/90	1.2185	0.9812	050133	07/01/89	06/30/90	1.1600	0.9762
050071	01/01/90	12/31/90	1.2710	0.9867	050135	10/01/89	09/30/90	1.3204	1.0000
050072	01/01/90	12/31/90	1.2216	0.9872	050136	07/01/89	06/30/90	1.3035	0.9821
050073	01/01/90	12/31/90	1.1640	0.9838	050137	01/01/90	12/31/90	1.2266	0.9852
050074	01/01/90	12/31/90	0.9992	0.9695	050138	01/01/90	12/31/90	1.6016	0.9899
050075	01/01/90	12/31/90	1.1951	0.9885	050139	01/01/90	12/31/90	1.1535	0.9936
050076	01/01/90	12/31/90	1.4453	0.9684	050140	01/01/90	12/31/90	1.2353	0.9823
050077	07/01/89	06/30/90	1.6357	0.9990	050143	04/01/89	03/31/90	1.3473	0.9922
050078	01/01/90	12/31/90	1.2016	0.9912	050144	09/01/89	08/31/90	1.4771	0.9828
050079	07/01/89	06/30/90	1.4271	0.9970	050145	01/01/90	12/31/90	1.2532	0.9887
050080	01/01/90	12/31/90	1.2234	0.9899	050146	10/01/89	09/30/90	1.1965	0.9886
050081	09/01/89	08/31/90	1.5968	0.9945	050147	08/01/89	05/31/90	0.6529	1.0000
050082	07/01/89	06/30/90	1.4173	0.9971	050148	07/01/89	06/30/90	1.1235	0.9693
050084	01/01/90	12/31/90	1.4409	0.9984	050149	10/01/89	09/30/90	1.2952	0.9892
050086	01/01/89	06/02/90	1.1592	0.9965	050150	01/01/90	12/31/90	1.2355	0.9855
050087	01/01/90	12/30/90	1.6394	1.0000	050152	07/01/89	06/30/90	1.4640	0.9936
050088	07/01/89	06/30/90	1.0319	0.9926	050153	07/01/89	06/30/90	1.6102	0.9989
050089	07/01/89	06/30/90	1.3069	0.9949	050154	10/01/89	09/30/90	1.2104	0.9786
050090	07/01/89	06/30/90	1.2762	0.9841	050155	10/01/89	09/30/90	1.1837	0.9988
050091	09/01/89	08/31/90	1.1601	0.9913	050158	04/01/89	03/31/90	1.5343	0.9916
050092	07/01/89	06/30/90	0.9830	0.9644	050159	07/01/89	06/30/90	1.3801	0.9846
050093	06/01/89	05/31/90	1.5358	0.9984	050161	05/01/89	04/30/90	1.8308	0.9906
050095	07/01/89	06/30/90	1.8085	1.0000	050164	05/01/88	03/08/90	1.3939	0.9944
050096	01/01/90	12/31/90	1.0923	1.0000	050165	07/01/89	06/30/90	0.8883	0.9818
050097	01/01/90	12/31/90	1.5006	0.9981	050167	07/01/89	06/30/90	1.3542	0.9956
050098	12/31/89	12/29/90	1.5487	0.9947	050168	07/01/89	06/30/90	1.7030	0.9966
050100	10/01/89	09/30/90	1.7290	0.9968	050169	10/01/89	09/30/90	1.4304	0.9993
050101	01/01/90	12/31/90	1.3104	0.9667	050170	07/01/89	06/30/90	1.3757	0.9861
050102	01/01/90	12/31/90	1.2479	0.9887	050172	07/01/89	06/30/90	1.2364	0.9950
050103	01/01/90	12/31/90	1.5023	0.9985	050173	09/01/89	08/31/90	1.2600	0.9835
050104	07/01/89	06/30/90	1.3510	0.9981	050174	07/01/89	06/30/90	1.5853	0.9981
050107	12/01/89	11/30/90	1.3598	0.9830	050175	07/01/89	06/30/90	1.3442	0.9932
050108	01/01/90	12/31/90	1.4072	0.9859	050177	04/01/89	03/31/90	1.3667	0.9897
050109	01/01/90	12/31/90	2.1159	0.9967	050179	02/01/89	01/31/90	1.2619	0.9908
050110	07/01/89	06/30/90	1.1172	0.9742	050180	01/02/90	12/31/90	1.3691	0.9982
050111	01/01/90	12/31/90	1.2965	0.9992	050181	07/01/89	06/30/90	1.3347	0.9710
050112	10/01/89	09/30/90	1.4960	0.9977	050183	07/01/89	06/30/90	1.1529	0.9919
050113	07/01/89	06/30/90	1.1735	0.9878	050186	09/01/89	08/31/90	1.4034	0.9797
050114	05/01/89	04/30/90	1.4614	0.9875	050188	06/01/89	05/31/90	1.3737	0.9851
050115	07/01/89	06/30/90	1.4420	0.9977	050189	10/01/89	09/30/90	1.0236	0.9758
050116	07/01/89	06/30/90	1.3475	0.9937	050190	01/04/89	06/15/90	1.0683	0.9818
050117	01/01/90	12/31/90	1.3258	0.9960	050191	07/01/89	06/30/90	1.3816	0.9811
050118	06/01/89	05/31/90	1.1939	0.9821	050192	07/01/89	06/30/90	1.1667	0.9839
050121	01/01/90	12/31/90	1.2219	0.9921	050193	07/01/89	06/30/90	1.3619	0.9875
050122	01/01/90	12/31/90	1.4028	0.9974	050194	07/01/89	06/30/90	1.2323	0.9905

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

Page 5 of 52

PROVIDER NUMBER	COST REPORTING PERIOD			TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD			TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
	BEGIN	END					BEGIN	END			
050195	07/01/89	-	06/30/90	1.3687	0.9977	050277	07/01/89	-	06/30/90	1.3265	0.9968
050196	01/01/90	-	12/31/90	1.2729	0.9832	050278	06/01/89	-	05/31/90	1.2958	0.9905
050197	07/01/89	-	06/30/90	1.8535	0.9976	050279	07/01/89	-	06/30/90	1.2570	0.9867
050199	07/01/89	-	06/30/90	1.2925	0.9764	050280	07/01/89	-	06/30/90	1.3621	0.9900
050204	10/01/89	-	09/30/90	1.3559	0.9983	050281	10/01/89	-	09/30/90	1.2999	0.9912
050205	04/01/89	-	12/31/90	1.2473	0.9965	050282	10/01/89	-	09/30/90	1.2964	0.9965
050207	07/01/89	-	06/30/90	1.1646	0.9888	050283	07/01/89	-	06/30/90	1.3037	0.9868
050208	01/01/90	-	12/31/90	1.1991	0.9959	050286	08/01/89	-	07/31/90	0.9519	0.9597
050211	01/01/90	-	12/31/90	1.2696	0.9940	050289	07/01/89	-	06/30/90	1.5884	0.9968
050212	09/01/89	-	08/31/90	1.1516	0.9970	050290	06/01/89	-	05/31/90	1.4585	0.9989
050213	07/01/89	-	06/30/90	1.3131	0.9934	050291	07/01/89	-	06/30/90	1.1626	0.9907
050214	01/01/90	-	12/31/90	1.5129	0.9944	050292	07/01/89	-	06/30/90	1.1691	0.9854
050215	07/01/89	-	06/30/90	1.4175	0.9969	050293	07/01/89	-	06/30/90	0.8983	1.0000
050217	01/01/90	-	12/31/90	1.1829	0.9742	050295	07/01/89	-	06/30/90	1.3011	0.9953
050219	05/01/89	-	04/30/90	1.3369	0.9855	050296	07/01/89	-	06/30/90	1.1513	0.9770
050220	04/01/89	-	03/31/90	1.2155	0.9886	050298	01/01/90	-	12/31/90	1.2436	0.9847
050221	06/01/89	-	05/31/90	1.5375	0.9934	050299	04/01/89	-	03/31/90	1.2726	0.9893
050222	10/01/89	-	09/30/90	1.5205	0.9975	050300	01/01/90	-	12/31/90	1.2810	0.9920
050224	09/17/89	-	09/15/90	1.4946	0.9993	050301	01/01/90	-	12/31/90	1.1950	0.9834
050225	01/01/90	-	12/31/90	1.2576	0.9890	050302	01/01/90	-	12/31/90	1.2771	0.9896
050226	10/01/89	-	09/30/90	1.3744	0.9983	050305	01/01/90	-	12/30/90	1.3883	0.9975
050228	07/01/89	-	06/30/90	1.2545	0.9718	050307	06/01/89	-	05/31/90	1.5184	0.9931
050230	03/01/89	-	02/28/90	1.3948	0.9781	050308	07/01/89	-	06/30/90	1.5436	0.9989
050231	01/01/90	-	12/31/90	1.4413	0.9976	050309	01/01/90	-	12/31/90	1.2693	0.9906
050232	07/01/89	-	06/30/90	1.8583	0.9962	050310	09/01/89	-	08/31/90	1.1854	0.9941
050233	10/01/89	-	09/30/90	1.2478	0.9853	050312	06/01/89	-	05/31/90	1.7995	0.9950
050234	10/01/89	-	09/30/90	1.3045	0.9947	050313	01/01/90	-	12/31/90	1.2031	0.9879
050235	01/01/90	-	12/31/90	1.4078	0.9965	050315	07/01/89	-	06/30/90	1.2864	0.9876
050236	01/01/90	-	12/31/90	1.3406	0.9853	050317	01/01/90	-	12/31/90	1.2685	0.9864
050238	01/01/90	-	12/31/90	1.4340	0.9977	050319	01/01/89	-	04/26/90	1.3392	0.9981
050239	01/01/90	-	12/31/90	1.3635	0.9974	050320	07/01/89	-	06/30/90	1.2072	0.9698
050240	07/01/89	-	06/30/90	1.3675	0.9992	050324	10/01/89	-	09/30/90	1.7683	0.9989
050241	01/01/90	-	12/31/90	1.2437	0.9805	050325	07/01/89	-	06/30/90	1.2164	1.0000
050242	07/01/89	-	06/30/90	1.4469	0.9968	050327	01/01/90	-	12/31/90	1.5923	0.9953
050243	07/01/89	-	06/30/90	1.4485	0.9962	050328	09/01/89	-	08/31/90	1.2992	0.9865
050245	07/01/89	-	06/30/90	1.4608	0.9897	050329	12/01/89	-	11/30/90	1.2765	0.9868
050248	07/01/89	-	06/30/90	1.1320	0.9728	050331	03/01/89	-	02/28/90	1.2988	0.9869
050251	01/01/90	-	12/31/90	1.2221	0.9525	050333	07/01/89	-	06/30/90	1.0396	0.9494
050254	11/01/89	-	10/31/90	1.1805	0.9824	050334	07/01/89	-	06/30/90	1.4321	0.9976
050256	11/01/89	-	10/31/90	1.5792	0.9931	050335	01/01/90	-	12/31/90	1.3000	0.9958
050257	01/01/90	-	12/31/90	1.2617	0.9859	050336	01/01/90	-	12/31/90	1.2924	0.9813
050258	03/01/89	-	02/28/90	1.4120	0.9947	050337	05/01/89	-	05/31/90	1.3066	0.9864
050260	01/01/89	-	06/30/90	0.9404	0.9313	050342	07/01/89	-	06/30/90	1.4350	0.9826
050261	07/01/89	-	06/30/90	1.2148	0.9879	050343	07/01/89	-	06/30/90	1.0876	0.9976
050262	07/01/89	-	06/30/90	1.5876	0.9939	050345	10/01/89	-	09/30/90	1.3316	0.9829
050263	05/01/89	-	04/30/90	1.3396	0.9927	050348	07/01/89	-	06/30/90	1.5629	0.9902
050264	09/01/89	-	08/31/90	1.4579	0.9929	050349	07/01/89	-	06/30/90	1.0255	0.9759
050267	07/01/89	-	06/30/90	1.4757	0.9976	050350	07/01/89	-	06/30/90	1.4156	0.9977
050269	10/01/89	-	09/30/90	1.1964	0.9965	050351	01/01/90	-	12/31/90	1.4199	0.9986
050270	10/01/89	-	09/30/90	1.2856	0.9898	050352	01/01/90	-	12/31/90	1.2508	0.9666
050272	10/01/89	-	09/30/90	1.3312	0.9932	050353	07/01/89	-	06/30/90	1.6024	0.9925
050274	07/01/89	-	06/30/90	1.0231	0.9616	050355	07/01/89	-	06/30/90	0.9183	0.9047
050276	07/01/89	-	06/30/90	1.1024	0.9945	050357	10/01/89	-	09/30/90	1.7042	0.9939

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN -	END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN -	END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
050359	07/01/89	06/30/90	1.0732	0.9976	050444	07/01/89	06/30/90	1.2042	0.9924
050360	07/01/89	06/30/90	1.3757	0.9897	050446	07/01/89	06/30/90	0.9381	0.9443
050363	09/01/89	08/31/90	1.3519	0.9586	050447	09/01/89	08/31/90	1.1829	0.9877
050366	01/01/90	12/31/90	1.3424	0.9760	050448	02/01/89	01/31/90	1.0084	0.9969
050367	01/01/90	12/31/90	1.2377	0.9806	050449	07/01/89	06/30/90	1.2140	0.9849
050369	01/01/90	12/31/90	1.3325	0.9966	050450	07/01/89	06/30/90	0.9799	0.9766
050373	07/01/89	06/30/90	1.1482	0.9798	050451	07/01/89	06/30/90	0.9723	0.9653
050376	07/01/89	06/30/90	1.2607	0.9999	050454	07/01/89	06/30/90	1.6140	0.9957
050377	07/01/89	06/30/90	1.0608	0.9190	050455	01/01/90	12/31/90	1.7815	0.9977
050378	05/01/89	05/31/90	1.2483	0.9945	050456	07/01/89	06/30/90	1.2977	0.9878
050379	07/01/89	06/30/90	1.1841	0.9780	050457	06/26/89	06/30/90	1.6244	0.9962
050380	07/01/89	06/30/90	1.5618	0.9982	050458	01/01/90	12/31/90	0.9595	1.0000
050381	07/01/89	06/30/90	1.1927	0.9841	050459	07/01/89	06/30/90	1.3459	0.9740
050382	07/01/89	06/30/90	1.2966	0.8841	050464	06/01/89	05/31/90	1.8261	0.9980
050385	08/01/89	07/31/90	1.2410	0.9822	050467	01/01/90	12/31/90	1.2460	0.9909
050387	07/01/89	06/30/90	0.9843	0.9860	050468	01/01/89	08/31/90	1.4156	0.9916
050388	07/01/89	06/30/90	0.8791	0.9301	050469	01/01/90	12/31/90	1.0830	0.9779
050390	07/01/89	06/30/90	1.2172	0.9933	050470	07/01/89	06/30/90	1.1916	0.9724
050391	01/01/90	12/31/90	1.3839	0.9919	050471	09/01/89	08/31/90	1.7320	0.9954
050392	07/01/89	06/30/90	0.8947	0.9833	050476	07/01/89	06/30/90	1.2929	0.9973
050393	07/01/89	06/30/90	1.4714	0.9980	050477	07/01/89	06/30/90	1.3474	0.9878
050394	01/01/90	12/31/90	1.4812	0.9999	050478	01/01/90	12/31/90	0.9655	0.9437
050396	01/01/90	12/31/90	1.4849	0.9988	050481	09/01/89	08/31/90	1.5285	0.9949
050397	07/01/89	06/30/90	0.8710	0.9915	050482	07/01/89	06/30/90	0.9831	0.9636
050401	05/01/89	04/30/90	1.2356	0.9907	050483	10/01/89	09/30/90	1.3751	0.9983
050404	01/01/90	12/31/90	1.1082	0.9635	050485	07/01/89	06/30/90	1.6170	0.9986
050406	07/01/89	06/30/90	1.0300	0.9806	050486	10/01/89	09/30/90	1.4698	0.9939
050407	01/01/90	12/31/90	1.1412	0.9975	050488	07/01/89	06/30/90	1.2024	0.9848
050410	07/01/89	06/30/90	1.1370	0.9359	050489	10/01/89	09/30/90	1.1647	0.9890
050411	01/01/90	12/31/90	1.2323	0.9888	050491	07/01/89	06/30/90	1.4818	1.0000
050414	04/01/89	03/31/90	1.2692	0.9651	050492	09/01/89	08/31/90	1.2605	0.9758
050418	06/01/89	05/31/90	1.2742	0.9852	050494	07/01/89	06/30/90	1.0839	0.9667
050419	07/01/89	06/30/90	1.1856	0.9704	050496	07/01/89	06/30/90	1.6580	0.9976
050420	01/01/90	12/31/90	1.4184	0.9919	050497	07/01/89	06/30/90	0.9626	0.9352
050421	01/01/90	12/30/90	1.3102	0.9916	050502	07/01/89	06/30/90	1.6733	0.9995
050423	04/01/89	03/31/90	1.0600	0.9771	050503	10/01/89	09/30/90	1.4006	0.9846
050424	09/01/89	08/31/90	1.7439	0.9997	050506	08/01/89	07/31/90	1.4478	0.9905
050425	01/01/90	12/31/90	1.2642	0.9792	050510	01/01/90	12/31/90	1.2418	0.9920
050426	09/01/89	08/31/90	1.3963	0.9942	050512	01/01/90	12/31/90	1.2225	0.9815
050427	09/01/89	08/31/90	0.9167	0.8934	050515	01/01/90	12/31/90	1.3418	0.9851
050430	07/01/89	06/30/90	0.9746	0.9554	050516	04/01/89	03/31/90	1.3579	0.9914
050431	09/01/89	08/31/90	1.2112	0.9900	050517	10/01/89	09/30/90	1.3776	0.9911
050432	06/01/89	05/31/90	1.5033	0.9955	050522	06/01/89	05/31/90	1.3505	0.9865
050433	07/01/89	06/30/90	1.0059	0.9607	050523	09/01/89	08/31/90	1.2417	0.9695
050434	04/01/89	03/31/90	1.0939	0.9835	050526	09/01/89	08/31/90	1.2494	0.9581
050435	07/01/89	06/30/90	1.1671	0.9772	050527	07/01/89	06/30/90	1.3057	0.9983
050436	07/01/89	06/30/90	1.0809	0.9720	050528	07/01/89	06/30/90	1.2352	0.9817
050438	10/01/89	09/30/90	1.4229	0.9984	050530	01/01/90	12/31/90	1.2045	0.9747
050440	01/01/90	12/31/90	1.3092	0.9721	050531	09/01/89	08/31/90	1.1114	0.9973
050441	10/01/89	09/30/90	1.6547	0.9963	050534	06/01/89	05/31/90	1.4155	0.9887
050442	06/01/89	06/01/90	1.2218	0.9906	050535	01/01/90	12/31/90	1.3763	0.9942
050443	07/01/89	06/30/90	0.9291	0.8917	050537	01/01/90	12/31/90	1.2512	0.9783

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTMENT TO DISCHARGES		PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTMENT TO DISCHARGES	
	BEGIN	END	INDEX	ADJUSTED CASE MIX		BEGIN	END	INDEX	ADJUSTED CASE MIX
050539	07/01/89	06/30/90	1.3289	0.9828	050615	05/01/89	04/30/90	1.5455	0.9977
050541	01/01/90	12/31/90	1.4096	0.9853	050616	07/01/89	06/30/90	1.2841	0.9891
050542	07/01/89	06/30/90	1.1185	0.9401	050618	07/01/89	06/30/90	1.2273	0.9760
050543	01/01/90	12/31/90	1.2556	0.9797	050619	01/01/90	12/31/90	1.3454	0.9908
050544	07/01/88	06/15/90	1.3607	0.9931	050622	09/01/89	08/31/90	1.2834	0.9660
050545	07/01/89	06/30/90	0.9002	1.0000	050623	07/01/89	06/30/90	1.2716	0.9890
050546	07/01/89	06/30/90	0.8640	1.0000	050624	10/01/89	09/30/90	1.1910	0.9923
050547	07/01/89	06/30/90	0.9887	1.0000	050625	04/01/89	03/31/90	1.4764	0.9988
050549	01/01/90	12/31/90	1.7090	0.9967	050630	01/01/90	12/31/90	1.1824	0.9797
050550	09/01/89	08/31/90	1.2439	0.9931	050633	06/01/89	05/31/90	1.2163	0.9880
050551	06/01/89	05/31/90	1.2941	0.9822	050635	01/01/90	12/31/90	1.2458	0.9941
050552	01/01/90	12/31/90	1.1237	0.9981	050636	07/01/89	06/30/90	1.2981	0.9760
050557	10/01/89	09/30/90	1.4237	0.9950	050637	05/01/89	04/30/90	1.2743	0.9975
050559	07/01/89	06/30/90	1.3114	0.9815	050638	07/01/89	06/30/90	1.0191	1.0000
050560	07/01/89	07/24/90	1.2858	0.9909	050641	07/01/89	06/30/90	1.1628	0.9892
050561	01/01/90	12/31/90	1.0844	0.9911	050644	09/01/89	08/31/90	1.0002	0.9972
050564	05/01/89	05/31/90	1.2831	0.9867	050649	08/01/89	07/31/90	1.3361	0.9866
050565	07/01/89	06/30/90	1.2561	0.9870	050651	02/01/89	01/31/90	1.2562	0.9844
050566	07/01/89	06/30/90	0.9192	0.9677	050655	01/01/90	12/31/90	0.5766	1.0000
050567	01/01/90	12/31/90	1.5188	0.9977	050660	07/01/89	06/30/90	1.1299	0.9991
050568	07/01/89	06/30/90	1.2774	0.9909	050661	02/01/89	01/31/90	0.8876	0.9922
050569	07/01/89	06/30/90	1.1839	0.9866	050662	07/01/89	06/30/90	1.1541	1.0000
050570	11/01/89	10/31/90	1.6161	0.9958	050663	10/01/89	09/30/90	1.0948	1.0000
050571	10/01/89	09/30/90	1.3250	0.9897	050665	05/01/89	04/30/90	0.5533	1.0000
050573	07/01/89	06/30/90	1.5469	0.9986	050666	07/01/89	06/30/90	0.9148	1.0000
050575	10/01/89	09/30/90	1.2644	0.9940	050667	07/01/89	06/30/90	1.1566	0.9440
050577	07/01/89	06/30/90	1.3078	0.9890	050668	07/01/89	06/30/90	1.1089	0.9504
050578	07/01/89	06/30/90	1.3054	0.9888	050669	01/01/90	12/31/90	1.0432	1.0000
050579	06/01/89	05/31/90	1.3767	0.9883	050670	09/01/89	08/31/90	1.2319	1.0000
050580	01/01/90	12/31/90	1.2514	0.9899	050671	07/01/89	06/30/90	1.1537	0.9760
050581	06/01/89	05/31/90	1.3118	0.9799	050672	07/01/89	06/30/90	0.6528	0.9963
050583	06/01/89	05/31/90	1.7052	0.9887	050674	01/01/90	12/31/90	1.1792	0.9910
050584	06/01/89	05/31/90	1.2321	0.9830	050675	02/01/89	01/31/90	1.4616	0.9953
050585	01/01/90	12/31/90	1.3478	0.9794	050676	07/01/89	06/30/90	0.9447	0.9845
050586	09/01/89	08/31/90	1.3416	0.9846	050677	01/01/90	12/31/90	1.2657	0.9999
050587	01/01/90	12/31/90	1.1802	0.9991	050678	07/01/89	06/30/90	1.1989	0.9713
050588	09/01/89	08/31/90	1.2920	0.9844	050680	01/01/90	12/31/90	0.7681	1.0000
050589	06/01/89	05/31/90	1.3566	0.9852	050682	08/14/89	08/31/90	1.2056	0.9924
050590	01/01/90	12/31/90	1.2824	0.9901	050684	06/23/89	06/30/90	1.1231	0.9846
050591	09/01/89	08/31/90	1.1732	0.9949	050685	07/01/89	06/30/90	1.2094	0.9905
050592	08/01/89	08/31/90	1.3513	0.9883	050686	01/01/90	12/31/90	1.0606	0.9812
050593	01/01/90	12/31/90	1.2991	0.9796	050688	10/01/88	06/30/90	1.4151	0.9526
050594	07/01/89	06/30/90	2.0149	0.9934	050689	02/20/89	05/31/90	1.1881	0.9879
050597	10/01/89	09/30/90	1.2801	0.9874	050690	04/18/89	12/31/90	1.1162	0.9742
050598	10/01/89	09/30/90	1.3192	0.9803	050695	09/12/89	12/31/90	1.162	0.9742
050599	07/01/89	06/30/90	1.5198	0.9958	050001	01/01/90	12/31/90	1.4478	0.9986
050601	04/01/89	03/31/90	1.3000	0.9856	050003	01/01/90	12/31/90	1.1781	0.9905
050603	07/01/89	06/30/90	1.3552	0.9952	050004	01/01/90	12/31/90	0.9987	0.9484
050604	01/01/90	12/31/90	1.3013	0.9771	050005	09/01/89	08/31/90	1.6939	0.9976
050607	10/01/89	09/30/90	1.2701	0.9886	050006	01/01/90	12/31/90	1.1246	0.9821
050608	02/01/89	01/31/90	1.2546	0.9901	050007	01/01/90	12/31/90	1.1712	0.9626
050609	01/01/90	12/31/90	1.3420	0.9887	050008	07/01/89	06/30/90	1.0729	0.9924
050613	07/01/89	06/30/90	1.0156	0.9844	050009	01/01/90	12/31/90	1.3082	0.9967



Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD			TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
	BEGIN	-	END		
060010	01/01/90	-	12/31/90	1.5187	0.9974
060011	01/01/90	-	12/31/90	1.1277	0.9899
060012	07/01/89	-	06/30/90	1.3653	0.9994
060013	07/01/89	-	06/30/90	1.1748	0.9906
060014	09/01/89	-	08/31/90	1.4972	0.9993
060015	07/01/89	-	06/30/90	1.3657	0.9908
060016	07/01/89	-	06/30/90	1.0916	0.9713
060017	07/01/89	-	06/30/90	1.2318	0.9874
060018	01/01/90	-	12/31/90	1.1305	0.9801
060020	07/01/89	-	06/30/90	1.4678	0.9950
060022	01/01/90	-	12/31/90	1.4663	0.9953
060023	06/01/89	-	05/31/90	1.4860	0.9984
060024	07/01/89	-	06/30/90	1.5556	0.9953
060026	07/01/89	-	06/30/90	1.3798	0.9996
060027	01/01/90	-	12/31/90	1.3413	0.9941
060028	06/01/89	-	05/31/90	1.3645	0.9964
060029	01/01/90	-	12/31/90	0.9815	0.9801
060030	01/01/90	-	12/31/90	1.3295	0.9915
060031	07/01/89	-	06/30/90	1.4062	0.9971
060032	07/01/89	-	06/30/90	1.3263	0.9991
060033	01/01/90	-	12/31/90	1.1101	0.9683
060034	01/01/90	-	12/31/90	1.2731	0.9892
060036	04/01/89	-	03/31/90	1.2237	0.9906
060037	01/01/90	-	12/31/90	1.0276	0.9656
060038	01/01/90	-	12/31/90	1.1292	0.9797
060039	01/01/90	-	12/31/90	0.9780	0.9968
060041	01/01/90	-	12/31/90	1.1458	0.9807
060042	01/01/90	-	12/31/90	0.9550	0.9855
060043	01/01/90	-	12/31/90	0.9330	0.9512
060044	01/01/90	-	12/31/90	1.1407	0.9702
060045	01/01/90	-	12/31/90	1.2407	0.9776
060047	01/01/90	-	12/31/90	1.0302	0.9768
060049	01/01/90	-	12/31/90	1.0180	0.9678
060050	01/01/90	-	12/31/90	1.1230	0.9524
060052	01/01/90	-	12/31/90	1.0202	0.9628
060053	01/01/90	-	12/31/90	0.9532	0.9696
060054	05/01/89	-	04/30/90	1.2363	0.9947
060056	01/01/90	-	12/31/90	0.9126	0.9688
060057	01/01/90	-	12/31/90	1.1162	0.9879
060058	01/01/90	-	12/31/90	0.7684	0.9243
060060	01/01/90	-	12/31/90	1.0510	0.9571
060062	01/01/90	-	12/31/90	0.9445	0.9166
060063	01/01/90	-	12/31/90	1.2089	0.9768
060064	01/01/90	-	12/31/90	1.3189	0.9967
060065	09/01/89	-	08/31/90	1.3283	0.9948
060066	01/01/90	-	12/31/90	0.9411	0.9251
060068	01/01/90	-	12/31/90	1.1929	0.9586
060070	01/01/90	-	12/31/90	0.9704	0.9753
060071	01/01/90	-	12/31/90	1.1230	0.9792
060072	10/01/89	-	09/30/90	0.9364	0.9644
060073	01/01/90	-	12/31/90	0.9686	0.9550
060074	01/01/89	-	11/15/90	0.8695	0.9624
060075	01/01/90	-	12/31/90	1.2358	0.9891
060076	01/01/90	-	12/31/90	1.3293	0.9974
060085	01/01/90	-	12/31/90	0.9881	0.9899
060087	09/01/89	-	08/31/90	1.4283	0.9959
060088	01/01/90	-	12/31/90	1.0440	0.9908
060090	01/01/90	-	12/31/90	0.8880	0.9993
060093	06/01/89	-	07/15/90	0.9159	0.9908
060096	11/01/89	-	10/31/90	1.0952	0.9758
060100	09/01/89	-	08/31/90	1.3454	0.9924
060101	10/01/89	-	09/30/90	1.9030	1.0000
070001	10/01/89	-	09/30/90	1.7511	0.9997
070002	10/01/89	-	09/30/90	1.7405	0.9957
070003	10/01/89	-	09/30/90	1.1545	0.9801
070004	10/01/89	-	09/30/90	1.1428	0.9943
070005	10/01/89	-	09/30/90	1.2738	0.9936
070006	10/01/89	-	09/30/90	1.2473	0.9855
070007	10/01/89	-	09/30/90	1.3389	0.9894
070008	10/01/89	-	09/30/90	1.2372	0.9872
070009	10/01/89	-	09/30/90	1.2487	0.9941
070010	10/01/89	-	09/30/90	1.4461	0.9992
070011	09/29/89	-	09/30/90	1.1905	0.9897
070012	10/01/89	-	09/30/90	1.2422	0.9882
070013	10/01/89	-	09/30/90	1.3127	0.9860
070014	10/01/89	-	09/30/90	1.1247	0.9924
070015	10/01/89	-	09/30/90	1.2442	0.9899
070016	10/01/89	-	09/30/90	1.2906	0.9957
070017	10/01/89	-	09/30/90	1.3875	0.9913
070018	10/01/89	-	09/30/90	1.2835	0.9981
070019	10/01/89	-	09/30/90	1.1524	0.9920
070020	10/01/89	-	09/30/90	1.3520	0.9914
070021	10/01/89	-	09/30/90	1.2098	0.9909
070022	10/01/89	-	09/30/90	1.6199	0.9975
070023	10/01/89	-	09/30/90	1.2008	0.9947
070024	10/01/89	-	09/30/90	1.2014	0.9902
070025	10/01/89	-	09/30/90	1.5952	0.9985
070026	10/01/89	-	09/30/90	1.1611	0.9908
070027	10/01/89	-	09/30/90	1.2159	0.9913
070028	10/01/89	-	09/30/90	1.4242	1.0000
070029	10/01/89	-	09/30/90	1.2626	0.9928
070030	10/01/89	-	09/30/90	1.2565	0.9977
070031	10/01/89	-	09/30/90	1.3124	0.9975
070033	10/01/89	-	09/30/90	1.2996	0.9976
070034	10/01/89	-	09/30/90	1.2600	0.9951
070035	10/01/89	-	09/30/90	1.3253	0.9927
070036	10/01/89	-	09/30/90	1.2651	0.9850
080001	07/01/89	-	06/30/90	1.5252	0.9991
080002	07/01/89	-	06/30/90	1.1488	0.9889
080003	07/01/89	-	06/30/90	1.2220	0.9980
080004	06/26/89	-	06/24/90	1.2525	0.9928
080005	10/01/89	-	09/30/90	1.2639	0.9944
080006	07/01/89	-	06/30/90	1.1287	0.9881
080007	07/01/89	-	06/30/90	1.1997	0.9850
090001	07/01/90	-	06/30/90	1.4490	0.9990
090002	01/01/90	-	12/31/90	1.2577	0.9956

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
	BEGIN	END				BEGIN	END		
090003	07/01/89	06/30/90	1.3868	0.9998	100052	10/01/89	09/30/90	1.3049	0.9904
090004	07/01/89	06/30/90	1.5267	0.9979	100053	10/01/89	09/30/90	1.1442	0.9949
090005	01/01/90	12/31/90	1.2623	0.9983	100054	08/01/89	07/31/90	1.3724	0.9918
090006	01/01/90	12/31/90	1.2752	0.9985	100055	10/01/89	09/30/90	1.3333	0.9997
090007	10/01/89	09/30/90	1.1693	0.9987	100056	09/01/89	12/31/90	1.4992	0.9914
090008	10/01/90	12/31/90	1.3061	0.9983	100057	10/01/89	09/30/90	1.3308	0.9952
090009	07/01/89	06/30/90	1.2559	1.0000	100059	07/01/89	06/30/90	1.4589	1.0000
090010	07/01/89	06/30/90	1.0966	0.9793	100060	01/01/90	12/31/90	1.6974	0.9980
090011	07/01/89	06/30/90	1.6945	0.9998	100061	09/01/89	08/31/90	1.4108	0.9989
100001	10/01/89	09/30/90	1.3117	0.9992	100062	10/01/89	09/30/90	1.5423	0.9989
100002	10/01/89	09/30/90	1.3563	0.9875	100063	01/01/90	12/31/90	1.2335	0.9904
100004	10/01/89	09/30/90	1.0630	0.9375	100065	10/01/89	09/30/90	1.3047	1.0000
100005	10/01/89	09/30/90	0.9587	0.9971	100067	07/01/89	06/30/90	1.4117	0.9965
100006	10/01/89	09/30/90	1.5617	0.9988	100068	04/01/89	03/31/90	1.4713	1.0000
100007	01/01/90	12/31/90	1.8678	0.9965	100069	01/01/90	12/31/90	1.3907	0.9899
100008	10/01/89	09/30/90	1.5992	0.9982	100070	07/01/89	06/30/90	1.3198	0.9802
100009	10/01/89	09/30/90	1.4025	0.9986	100071	10/01/89	09/30/90	1.3507	0.9826
100010	10/01/89	06/30/90	1.3393	0.9943	100072	01/03/89	09/30/90	1.2073	0.9825
100012	10/01/89	09/30/90	1.3925	0.9949	100073	07/01/89	06/30/90	1.7203	0.9991
100014	10/01/89	09/30/90	1.2617	0.9965	100074	10/01/89	09/30/90	1.2929	0.9904
100015	08/01/89	07/31/90	1.3027	0.9934	100075	07/01/89	06/30/90	1.6587	1.0000
100016	10/01/89	09/30/90	1.0474	0.9822	100076	04/01/89	03/31/90	1.3043	0.9993
100017	10/01/89	09/30/90	1.6975	0.9858	100077	09/01/89	08/31/90	1.2771	0.9869
100018	10/01/89	09/30/90	1.2873	0.9922	100078	10/01/89	09/30/90	1.1320	0.9826
100019	10/01/89	09/30/90	1.4769	0.9995	100079	06/01/89	05/31/90	1.1577	0.9753
100020	12/01/89	11/30/90	1.3047	0.9959	100080	10/01/89	09/30/90	1.5240	0.9888
100021	01/01/90	12/31/90	1.3250	0.9947	100081	10/01/89	09/30/90	1.1612	0.9850
100022	10/01/89	09/30/90	1.4639	0.9996	100082	10/01/89	09/30/90	1.3549	0.9966
100023	10/01/89	09/30/90	1.2965	0.9811	100083	10/01/89	09/30/90	1.3374	0.9890
100024	10/01/89	09/30/90	1.1818	0.9808	100084	07/01/89	06/30/90	1.3513	0.9739
100025	01/01/90	12/31/90	1.4924	0.9892	100085	01/01/90	12/31/90	1.3133	0.9951
100026	10/01/89	09/30/90	1.3782	1.0000	100086	07/01/89	06/30/90	1.3137	0.9924
100027	10/01/89	05/31/90	0.8720	0.9821	100087	10/01/89	09/30/90	1.6230	0.9991
100028	10/01/89	09/30/90	1.3231	0.9802	100088	10/01/89	09/30/90	1.3727	0.9987
100029	10/01/89	09/30/90	1.3842	1.0000	100089	01/01/90	12/31/90	1.2290	0.9784
100030	10/01/89	09/30/90	1.1022	0.9991	100090	10/01/89	09/30/90	1.2817	0.9951
100032	07/01/89	06/30/90	1.3039	1.0000	100092	10/01/89	09/30/90	1.2527	1.0000
100033	04/01/89	03/31/90	1.4252	0.9816	100093	10/01/89	09/30/90	1.4421	0.9932
100034	01/01/90	12/31/90	1.5446	0.9991	100098	10/01/89	09/30/90	1.0608	0.9878
100035	09/01/89	08/31/90	1.4217	1.0000	100099	10/01/89	09/30/90	1.2191	0.9880
100039	07/01/89	06/30/90	1.4899	0.9971	100100	01/01/90	12/31/90	1.2014	0.9995
100040	01/01/90	12/31/90	1.5514	0.9927	100102	10/01/89	09/30/90	1.1603	0.9790
100042	01/01/90	12/31/90	1.2245	0.9990	100103	10/01/89	09/30/90	0.9710	0.9600
100043	10/01/89	09/30/90	1.3590	0.9965	100105	10/01/89	09/30/90	1.2787	0.9886
100044	10/01/89	09/30/90	1.3384	0.9971	100106	10/01/89	09/30/90	1.0166	0.9204
100045	10/01/89	09/30/90	1.3463	0.9877	100108	09/01/89	08/31/90	1.2501	0.9822
100046	01/01/90	12/31/90	1.3045	0.9818	100109	01/01/90	12/31/90	1.0040	0.9820
100047	01/01/90	12/31/90	1.4095	0.9905	100110	09/01/89	08/31/90	1.2125	0.9707
100048	10/01/89	09/30/90	0.9278	0.9554	100112	10/01/89	09/30/90	0.9885	0.9725
100049	10/01/89	09/30/90	1.3438	0.9730	100113	07/01/89	06/30/90	1.7045	0.9988
100050	01/01/90	12/31/90	1.1777	0.9983	100114	01/01/89	03/31/90	1.3239	0.9981
100051	10/01/89	09/30/90	1.1244	0.9763	100117	10/01/89	09/30/90	1.3083	0.9811

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER TO DISCHARGES
	BEGIN	END				BEGIN	END		
100118	11/01/89	10/31/90	1.2569	0.9876	100186	09/01/89	08/31/90	1.3975	0.9964
100121	10/01/89	09/30/90	1.2120	0.9691	100187	01/01/90	12/31/90	1.2510	0.9844
100122	07/01/89	06/30/90	1.2931	0.9861	100189	01/01/90	12/31/90	1.3447	0.9881
100124	11/01/89	10/31/90	1.3029	0.9867	100191	07/01/89	06/30/90	1.3037	0.9904
100125	10/01/89	09/30/90	1.0853	0.9871	100194	09/01/89	08/31/90	1.2051	0.9950
100126	06/01/89	05/31/90	1.4553	0.9927	100195	10/01/88	04/30/90	1.4070	0.9878
100127	10/01/89	09/30/90	1.4369	0.9991	100196	09/01/89	08/31/90	1.2288	0.9948
100128	10/01/89	09/30/90	2.2892	0.9962	100199	09/01/89	08/31/90	1.2605	0.9924
100129	12/01/89	11/30/90	1.4648	0.9896	100200	07/01/89	06/30/90	1.3225	0.9916
100130	10/01/89	09/30/90	1.1214	1.0000	100203	09/01/89	08/31/90	1.0938	0.9836
100131	09/01/89	08/31/90	1.3045	0.9888	100204	03/01/89	02/28/90	1.5532	0.9983
100132	01/01/90	12/31/90	1.3321	0.9964	100206	12/01/89	11/30/90	1.3564	0.9931
100134	10/01/89	09/30/90	1.0123	0.9540	100207	04/01/89	03/31/90	1.3913	0.9907
100135	10/01/89	09/30/90	1.4778	0.9985	100208	01/01/90	12/31/90	1.5194	0.9878
100137	10/01/89	09/30/90	1.1581	0.9840	100209	08/01/89	07/31/90	1.5404	0.9992
100138	10/01/89	09/30/90	1.0250	0.9630	100210	01/01/90	12/31/90	1.5955	0.9872
100139	10/01/89	09/30/90	1.0144	0.9693	100211	09/01/89	08/31/90	1.2495	0.9864
100140	10/01/89	09/30/90	1.1338	0.9669	100212	09/01/89	08/31/90	1.5024	0.9988
100142	10/01/89	09/30/90	1.0657	0.9723	100213	05/01/89	04/30/90	1.5388	0.9860
100143	01/01/90	12/31/90	1.1291	0.9954	100217	09/01/89	08/31/90	1.1388	0.9826
100144	10/01/89	09/30/90	1.1732	0.9875	100218	01/01/89	06/30/90	0.8765	1.0000
100145	07/01/89	06/30/90	1.2570	0.9965	100219	09/01/89	08/31/90	1.4095	0.9883
100146	10/01/89	09/30/90	1.0860	0.9555	100220	01/01/90	12/31/90	1.6707	0.9987
100147	10/01/89	09/30/90	1.0836	0.9804	100221	09/01/89	08/31/90	1.5005	0.9985
100149	01/01/90	12/31/90	1.2916	0.9898	100222	01/01/90	12/31/90	1.2769	0.9919
100150	07/01/89	08/31/90	1.3780	0.9802	100223	09/01/89	08/31/90	1.3903	0.9936
100151	01/01/90	12/31/90	1.7303	0.9994	100224	09/01/89	12/31/90	1.2467	0.9884
100152	08/01/89	07/31/90	1.2531	0.9998	100225	06/01/89	05/31/90	1.3396	0.9944
100154	10/01/89	09/30/90	1.4563	0.9978	100226	09/01/89	08/31/90	1.3031	0.9941
100156	11/01/89	10/31/90	1.0723	0.9881	100227	09/01/89	08/31/90	1.0439	1.0000
100157	10/01/89	09/30/90	1.4352	0.9980	100228	09/01/89	08/31/90	1.1726	0.9942
100159	10/01/89	09/30/90	0.9737	0.9787	100229	09/01/89	08/31/90	1.5068	0.9899
100160	07/01/89	06/30/90	1.2066	0.9666	100230	05/01/89	04/30/90	1.2374	0.9953
100161	06/01/89	05/31/90	1.4135	0.9860	100231	06/01/89	05/31/90	1.6087	0.9986
100162	10/01/89	09/30/90	1.2819	0.9911	100232	10/01/89	09/30/90	1.2550	0.9756
100164	10/01/89	09/30/90	0.9714	0.9600	100234	09/01/89	08/31/90	1.2137	0.9931
100165	01/01/90	12/31/90	1.0401	0.9957	100235	09/01/89	08/31/90	1.3724	0.9923
100166	11/01/89	12/31/90	1.4599	0.9910	100236	01/01/90	12/31/90	1.3310	0.9921
100167	10/01/89	09/30/90	1.2830	0.9958	100237	10/01/89	09/30/90	2.0582	0.9994
100168	07/01/89	06/30/90	1.2758	0.9920	100238	09/01/89	08/31/90	1.3488	0.9932
100169	11/01/89	10/31/90	1.7428	0.9965	100239	06/01/89	05/31/90	1.3920	0.9868
100170	10/01/89	09/30/90	1.3264	0.9942	100240	06/01/89	05/31/90	0.7462	1.0000
100172	06/01/89	05/31/90	1.3940	1.0000	100241	10/01/89	09/30/90	1.0445	0.9663
100173	10/01/89	09/30/90	1.4707	0.9995	100242	02/01/89	01/31/90	1.2251	0.9946
100174	10/01/89	09/30/90	1.5011	0.9981	100243	09/01/89	08/31/90	1.2870	0.9913
100175	10/01/89	09/30/90	1.0983	0.9734	100244	07/01/89	06/30/90	1.3603	0.9806
100176	10/01/89	09/30/90	1.9082	0.9983	100246	01/01/90	12/31/90	1.3304	0.9921
100177	10/01/89	09/30/90	1.3081	0.9871	100248	06/01/89	05/31/90	1.6152	0.9995
100179	05/01/89	04/30/90	1.5991	0.9986	100249	06/01/89	05/31/90	1.2845	0.9900
100180	09/01/89	08/31/90	1.3625	0.9959	100252	02/01/89	01/31/90	1.2330	0.9861
100181	12/01/89	11/30/90	1.3154	0.9986	100253	05/01/89	04/30/90	1.3759	0.9844
100183	01/01/90	12/31/90	1.3027	0.9962	100254	05/01/89	04/30/90	1.5001	1.0000
100185	10/01/89	09/30/90	1.1243	0.8732	100255	01/01/90	12/31/90	1.3855	0.9922

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
100256	03/01/89	02/28/90	1.3838	0.9847	110039	07/01/89	06/30/90	1.2580	0.9912
100258	06/01/89	05/31/90	1.7017	0.9836	110040	07/01/89	06/30/90	0.9285	0.9802
100259	09/01/89	08/31/90	1.4334	0.9630	110041	07/01/89	06/30/90	1.1243	0.9695
100260	10/01/89	09/30/90	1.2924	0.9667	110042	07/01/89	06/30/90	1.1149	0.9828
100262	10/01/89	09/30/90	1.3181	0.9918	110043	07/01/89	06/30/90	1.4705	0.9881
100263	09/01/89	08/31/90	1.4146	0.9826	110044	07/01/89	06/30/90	1.0889	0.9887
100264	03/01/89	02/28/90	1.2941	0.9791	110045	08/01/89	07/31/90	0.9667	0.9635
100265	10/01/89	09/30/90	1.2157	0.9903	110046	11/01/89	10/31/90	1.1978	0.9722
100266	10/01/89	09/30/90	1.3054	0.9835	110048	10/01/89	09/30/90	1.0821	0.9885
100267	01/01/90	12/31/90	1.2443	0.9823	110049	10/01/89	09/30/90	1.0955	0.9582
100268	06/01/89	05/31/90	1.2924	0.9786	110050	01/01/90	12/31/90	1.0731	0.9690
100269	09/01/89	08/31/90	1.2732	0.9860	110051	05/01/89	04/30/90	0.9301	0.9813
100270	01/01/89	05/31/90	0.9221	0.9619	110052	07/01/89	06/30/90	0.8802	0.9536
100271	07/01/89	06/30/90	1.4462	1.0000	110054	07/01/89	06/30/90	1.1871	0.9865
100273	09/01/89	08/31/90	1.1533	0.9707	110055	03/01/89	02/28/90	0.9221	0.9785
100275	01/01/90	12/31/90	1.2664	0.9907	110056	07/01/89	06/30/90	0.9354	0.9840
100276	07/01/89	06/30/90	1.3602	0.9910	110059	10/01/89	09/30/90	1.1628	0.9879
100277	07/01/89	06/30/90	1.0509	0.9368	110061	10/01/89	09/30/90	0.9300	0.9758
100278	10/01/89	09/30/90	0.5657	1.0000	110062	04/01/89	03/31/90	0.9402	0.9833
110001	10/01/89	09/30/90	1.2150	0.9911	110063	12/01/89	11/30/90	1.0576	0.9684
110002	01/01/90	12/31/90	1.2100	0.9761	110064	07/01/89	06/30/90	1.1955	0.9954
110003	03/01/89	02/28/90	1.2161	0.9968	110065	01/01/90	12/31/90	1.0337	0.9738
110004	10/01/89	09/30/90	1.2077	0.9950	110066	07/01/89	06/30/90	1.2264	0.9951
110005	01/01/90	12/31/90	1.4363	0.9869	110069	03/01/89	02/28/90	1.1284	0.9921
110006	10/01/89	09/30/90	1.2602	0.9970	110070	11/01/89	10/31/90	0.9311	0.9623
110007	08/01/89	07/31/90	1.3719	0.9979	110071	07/01/89	06/30/90	1.0579	0.9955
110008	04/01/89	03/31/90	1.2157	0.9837	110072	01/01/90	12/31/90	0.9975	0.9630
110009	11/01/89	10/31/90	1.1548	0.9452	110073	08/01/89	07/31/90	1.3222	0.9800
110010	09/01/89	08/31/90	1.8478	0.9982	110074	10/01/89	09/30/90	1.2721	0.9863
110011	07/01/89	06/30/90	1.1194	0.9931	110075	10/01/89	09/30/90	1.1958	0.9896
110013	10/01/89	09/30/90	1.0440	0.9718	110076	10/01/89	09/30/90	1.3018	0.9885
110014	08/01/89	07/31/90	1.1662	0.9750	110078	09/01/89	08/31/90	1.0601	0.9790
110015	07/01/89	06/30/90	1.1298	0.9491	110079	01/01/90	12/31/90	1.4730	0.9975
110016	10/01/89	09/29/90	1.1496	0.9928	110079	01/01/90	12/31/90	1.1719	0.9975
110017	07/01/89	06/30/90	0.9824	0.9632	110080	10/01/89	09/30/90	1.0243	0.9973
110018	01/01/90	12/31/90	1.1341	0.9666	110082	01/01/90	12/31/90	1.9335	0.9889
110020	09/01/89	08/31/90	1.0973	0.9819	110083	01/01/90	12/31/90	1.4489	0.9998
110023	01/01/90	12/31/90	1.1578	0.9552	110085	01/01/90	12/31/90	1.1181	0.9645
110024	01/01/90	12/31/90	1.3591	0.9943	110086	09/01/89	08/31/90	1.1133	0.9645
110025	10/01/89	09/30/90	1.1970	0.9919	110087	09/01/89	08/31/90	1.2295	0.9883
110026	07/01/89	06/30/90	1.1318	0.9709	110088	01/01/90	12/31/90	0.9260	0.8855
110027	07/01/89	06/30/90	1.1009	0.9868	110088	01/01/90	12/31/90	1.1012	0.9783
110028	01/01/90	12/30/90	1.4729	0.9987	110081	10/01/89	09/30/90	1.2691	0.9837
110029	10/01/89	09/30/90	1.3010	0.9940	110092	10/01/89	09/30/90	1.0298	0.9804
110030	10/01/88	08/31/90	1.2118	0.9758	110093	07/01/89	06/30/90	0.9927	0.9711
110031	04/01/89	03/31/90	1.1849	0.9831	110094	07/01/89	06/30/90	0.9712	0.9804
110032	10/01/89	09/30/90	1.0913	0.9622	110095	10/01/89	09/30/90	1.2840	0.9792
110033	08/01/89	07/31/90	1.3452	0.9913	110096	01/01/90	12/31/90	1.1336	0.9777
110034	07/01/89	06/30/90	1.3689	0.9967	110097	01/01/90	12/31/90	1.0601	0.9822
110035	07/01/89	06/30/90	1.2954	0.9916	110098	10/01/89	09/30/90	1.0547	0.9752
110036	01/01/90	12/31/90	1.5925	0.9982	110100	01/01/90	12/31/90	1.1162	0.9796
110037	01/01/90	12/31/90	1.1347	0.9806	110101	07/01/89	06/30/90	1.0056	0.9740
110038	10/01/89	09/30/90	1.2687	0.9962	110103	07/01/89	06/30/90	0.9499	0.9883

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
110104	07/01/89	06/30/90	1.1261	0.9863	110175	05/01/89	04/30/90	0.8938	1.0000
110105	10/01/89	09/30/90	1.1710	0.9769	110176	07/01/89	06/30/90	1.0757	1.0000
110107	10/01/89	09/30/90	1.5314	0.9994	110177	09/01/89	08/31/90	1.3827	0.9858
110108	07/01/89	06/30/90	0.8113	0.9437	110178	07/01/89	06/30/90	1.1295	1.0000
110109	07/01/89	06/30/90	1.0082	0.9626	110179	01/01/90	12/31/90	1.1129	0.9859
110111	10/01/89	09/30/90	1.0318	0.9645	110181	04/01/89	03/31/90	0.9969	0.9522
110112	09/01/89	08/31/90	0.9572	0.9758	110183	02/01/89	01/31/90	1.1607	0.9777
110113	06/01/89	05/31/90	1.0170	0.9766	110184	04/01/89	03/31/90	1.1766	0.9844
110114	10/01/89	09/30/90	1.1478	0.9585	110185	07/01/89	06/30/90	1.0631	0.9596
110115	01/01/90	12/31/90	1.5516	0.9991	110186	05/01/89	04/30/90	1.1585	0.9894
110117	01/01/90	12/31/90	1.0925	0.9605	110187	01/01/90	12/31/90	1.0631	0.9395
110118	05/01/89	04/30/90	0.8502	0.9184	110188	10/01/88	03/31/90	1.2592	0.9347
110120	10/01/89	09/30/90	1.0209	0.9226	110189	01/01/90	12/31/90	1.0476	0.9712
110121	10/01/89	09/30/90	1.0110	0.9798	110190	07/01/90	12/31/90	1.1034	0.9447
110122	10/01/89	09/30/90	1.3026	0.9917	110191	07/01/89	06/30/90	1.1974	0.9340
110123	10/01/89	09/30/90	1.0107	0.9798	110192	09/01/89	08/31/90	1.2671	0.9866
110124	07/01/89	06/30/90	1.0886	0.9889	110193	01/01/90	12/31/90	1.1633	0.9856
110125	05/01/89	04/30/90	1.0997	0.9892	110194	07/01/89	06/30/90	0.9145	0.9466
110127	07/01/89	06/30/90	0.9360	0.8957	110195	10/01/89	09/30/90	1.1720	0.9764
110128	07/01/89	06/30/90	1.0650	0.9855	110198	10/01/89	10/31/90	1.2927	0.9872
110129	01/01/90	12/31/90	1.4871	0.9891	110200	10/01/89	09/30/90	1.7307	0.9926
110130	12/01/89	11/30/90	1.0081	0.9384	110201	09/01/89	08/31/90	1.2826	0.9841
110131	01/01/89	07/13/90	1.1046	0.9988	110202	04/01/89	03/31/90	1.1448	0.9804
110132	04/01/89	03/31/90	1.0535	0.8794	110203	10/01/89	09/30/90	1.0035	0.9653
110133	07/01/89	06/30/90	0.9100	0.9726	110205	06/09/89	12/31/90	0.9305	0.9857
110134	07/01/89	06/30/90	0.9053	0.9709	120001	06/25/89	06/30/90	1.5982	0.9937
110135	05/01/89	04/30/90	1.0583	0.9918	120002	07/01/89	06/30/90	1.1567	0.9795
110136	07/01/89	06/30/90	1.1795	0.9783	120003	07/01/89	06/30/90	1.1104	0.9774
110140	08/01/89	07/31/90	0.8936	0.9469	120004	07/01/89	06/30/90	1.3223	0.9922
110141	07/01/89	06/30/90	0.9090	0.9407	120005	07/01/89	06/30/90	1.1403	0.9910
110142	10/01/89	09/30/90	1.0886	0.9636	120006	01/01/90	12/31/90	1.1975	0.9971
110143	06/01/89	05/31/90	1.2091	0.9960	120007	07/01/89	06/30/90	1.5322	1.0000
110144	10/01/89	09/30/90	1.2808	0.9430	120009	06/25/89	06/30/90	0.8695	0.9126
110146	01/01/90	12/31/90	0.9420	0.9465	120010	07/01/89	06/30/90	1.5748	0.9894
110149	07/01/89	06/30/90	0.9744	0.9594	120011	01/01/90	12/31/90	1.3162	0.9948
110150	10/01/89	09/30/90	1.1928	0.9866	120012	07/01/89	06/30/90	0.9369	0.9561
110151	01/01/90	12/31/90	0.9983	0.9825	120014	07/01/89	06/30/90	1.2100	0.9857
110152	07/01/89	06/30/90	1.0105	0.9597	120015	07/01/89	06/30/90	0.8649	0.9215
110153	03/01/89	02/28/90	0.9742	0.9881	120016	07/01/89	06/30/90	0.9708	0.9748
110154	07/01/89	06/30/90	0.9470	0.9712	120018	07/01/89	06/30/90	0.8621	0.9441
110155	04/01/89	03/31/90	1.0358	0.9835	120019	07/01/89	06/30/90	1.0711	0.9849
110156	07/01/89	06/30/90	0.9418	0.9471	120021	07/01/89	06/30/90	0.9325	0.9325
110157	04/01/89	03/31/90	1.1826	0.9879	120022	01/01/90	12/31/90	1.5242	1.0000
110161	10/01/89	09/30/90	1.1694	0.9953	120026	08/15/88	06/30/90	1.3944	0.9869
110163	05/01/89	04/30/90	1.2606	0.9940	120027	04/11/89	06/30/90	1.1440	1.0000
110164	04/01/89	03/31/90	1.3053	0.9957	130001	12/01/89	11/30/90	1.0286	0.9629
110165	11/01/89	10/31/90	1.1513	0.9904	130002	07/01/89	09/30/90	1.3577	0.9926
110166	10/01/89	09/30/90	1.3928	0.9888	130003	07/01/89	06/30/90	1.3060	0.9827
110168	07/01/89	06/30/90	1.4788	0.9988	130005	01/01/90	12/31/90	1.3741	0.9881
110169	07/01/89	06/30/90	0.6997	1.0000	130006	10/01/89	09/30/90	1.5966	0.9989
110171	10/01/89	10/31/90	1.3099	0.9937	130007	06/01/89	05/31/90	1.5157	0.9893
110172	10/01/89	09/30/90	1.0989	0.9970	130008	07/01/89	06/30/90	0.8323	0.9703
110174	07/01/89	06/30/90	0.9062	0.9772	130009	10/01/89	09/30/90	1.0051	0.9560

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
	BEGIN	END				BEGIN	END		
130010	10/01/89	09/30/90	0.9285	0.9744	140026	07/01/89	06/30/90	1.1088	0.9928
130011	01/01/90	12/31/90	1.2508	0.9806	140027	05/01/89	04/30/90	1.0984	0.9918
130012	10/01/89	09/30/90	1.0015	0.9482	140029	01/01/90	12/31/90	1.3398	0.9942
130013	07/01/89	06/30/90	1.2276	0.9813	140030	05/01/89	04/30/90	1.5078	0.9930
130014	10/01/89	09/30/90	1.3089	0.9718	140031	01/01/90	12/31/90	0.9969	0.9929
130015	10/01/89	09/30/90	0.9807	0.9529	140032	07/01/89	06/30/90	1.1867	0.9845
130016	12/01/88	09/30/90	0.9443	0.9755	140033	09/01/89	08/31/90	1.2127	0.9958
130017	07/01/89	06/30/90	1.0092	1.0000	140034	01/01/90	12/31/90	1.1121	0.9840
130018	01/01/89	09/30/90	1.4854	0.9390	140035	07/01/89	06/30/90	1.0122	0.9802
130019	01/01/90	12/31/90	1.1216	0.9668	140036	10/01/89	09/30/90	1.1339	0.9707
130021	12/01/89	11/30/90	0.9080	0.9322	140037	07/01/89	06/30/90	0.9598	0.9648
130022	07/01/89	06/30/90	1.3056	0.9842	140038	05/01/89	04/30/90	0.9901	0.9781
130024	09/01/89	08/31/90	1.1196	0.9577	140039	01/01/90	12/31/90	1.0485	0.9452
130025	10/01/89	09/30/90	0.9972	0.9373	140040	05/01/89	04/30/90	1.2768	0.9862
130026	01/01/90	12/31/90	1.1209	0.9708	140041	06/01/89	05/31/90	0.9848	0.9617
130027	10/01/89	09/30/90	0.9346	0.9632	140042	04/01/89	03/31/90	1.0246	0.9808
130028	10/01/89	09/30/90	1.2320	0.9916	140043	05/01/89	04/30/90	1.1734	0.9854
130029	07/01/89	06/30/90	1.0623	0.9541	140046	07/01/89	06/30/90	0.9883	0.9721
130030	10/01/89	09/30/90	0.9857	0.9903	140047	05/01/89	04/30/90	1.2000	0.9785
130031	10/01/89	09/30/90	0.9903	0.9402	140048	01/01/90	12/31/90	1.1035	0.9590
130034	10/01/89	09/30/90	0.9100	0.9628	140049	11/01/89	10/31/90	1.3798	0.9963
130035	07/01/89	06/30/90	0.9444	0.8928	140051	10/01/89	09/30/90	1.1684	0.9912
130036	01/01/90	12/31/90	1.2093	0.9782	140052	10/01/90	12/31/90	1.1774	0.9862
130037	10/01/89	09/30/90	1.1646	0.9765	140053	07/01/89	06/30/90	1.6007	0.9991
130039	10/01/89	09/30/90	1.2681	0.9902	140054	10/01/89	09/29/90	1.2763	0.9870
130040	10/01/89	09/30/90	0.9640	0.9388	140055	05/01/89	04/30/90	0.9902	0.9590
130043	10/01/89	09/30/90	1.0397	0.9933	140058	10/01/89	09/30/90	1.0551	0.9897
130044	10/01/89	09/30/90	0.8896	0.9780	140059	07/01/89	06/30/90	1.0446	0.9730
130045	10/01/89	09/30/90	0.9905	0.9585	140061	07/01/89	06/30/90	1.1381	0.9672
130048	07/01/89	06/30/90	0.9994	1.0000	140062	01/01/90	12/31/90	1.2513	0.9886
130049	12/01/89	11/30/90	1.1735	0.9883	140063	07/01/89	06/30/90	1.2401	0.9955
130051	12/01/89	11/30/90	1.0211	0.9886	140064	10/01/89	09/30/90	1.1698	0.9881
130054	10/01/89	09/30/90	0.9342	0.9618	140065	01/01/90	12/31/90	1.2818	0.9915
130056	10/01/89	09/30/90	0.9332	1.0000	140066	01/01/90	12/31/90	1.1809	0.9908
130058	10/01/89	09/30/90	0.9229	1.0000	140067	10/01/89	09/30/90	1.6326	0.9986
140001	07/01/89	06/30/90	1.2610	0.9809	140068	04/01/89	03/31/90	1.2944	0.9976
140002	01/01/90	12/31/90	1.2666	0.9873	140069	05/01/89	04/30/90	1.1298	0.9399
140003	03/01/89	02/28/90	0.9401	0.9602	140070	05/01/89	04/30/90	1.3435	0.9922
140004	10/01/89	09/30/90	1.0050	0.9594	140072	07/01/89	06/30/90	1.0685	0.9943
140005	04/01/89	03/31/90	0.9565	0.9677	140074	10/01/89	09/30/90	1.1308	0.9821
140007	09/01/89	08/31/90	1.2674	0.9899	140075	07/01/89	06/30/90	1.3679	0.9941
140008	01/01/90	12/31/90	1.3743	0.9840	140077	05/01/89	04/30/90	1.0460	0.9958
140010	10/01/89	09/30/90	1.3405	0.9378	140079	01/01/90	12/31/90	1.2458	0.9932
140011	04/01/89	03/31/90	1.1087	0.9817	140080	07/01/89	06/30/90	1.7136	0.9978
140012	01/01/90	12/31/90	1.2562	0.9806	140081	01/01/90	12/31/90	1.1033	0.9757
140013	07/01/89	06/30/90	1.3097	0.9324	140082	06/26/89	06/24/90	1.2499	0.9947
140014	10/01/89	09/30/90	1.0725	0.9617	140083	07/01/89	06/30/90	1.2766	0.9947
140015	10/01/89	09/30/90	1.1656	0.9944	140084	01/01/90	12/31/90	1.2069	0.9909
140016	03/01/89	02/28/90	1.0200	0.9569	140085	07/01/88	03/14/90	1.0782	1.0000
140018	07/01/89	06/30/90	1.3249	0.9974	140086	07/01/89	06/30/90	1.0280	0.9732
140019	09/01/89	08/31/90	0.9207	0.9573	140087	01/01/90	12/31/90	1.4060	0.9920
140024	07/01/89	06/30/90	0.9692	0.9790	140088	07/01/89	06/30/90	1.5479	0.9953
140025	04/01/89	03/31/90	1.1136	0.9660					

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment  
to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
140089	07/01/89 - 06/30/90	1.2261	0.9780	140154	09/01/89 - 08/31/90	1.2613	0.9907
140090	01/01/90 - 12/31/90	1.3168	0.9967	140155	01/01/90 - 12/31/90	1.2031	0.9873
140091	07/01/89 - 06/30/90	1.4628	0.9981	140156	07/01/89 - 06/30/90	1.3721	0.9998
140093	09/01/89 - 08/31/90	1.2378	0.9833	140159	07/01/89 - 06/30/90	1.2084	0.9939
140094	01/01/90 - 12/31/90	1.1710	0.9922	140160	08/01/89 - 07/31/90	1.1703	0.9848
140095	09/01/89 - 08/31/90	1.2744	0.9833	140161	10/01/89 - 09/30/90	1.1397	0.9809
140097	01/01/90 - 12/31/90	0.9343	0.9840	140162	10/01/89 - 09/30/90	1.3659	0.9856
140098	01/01/90 - 12/31/90	1.2718	0.9984	140164	04/01/89 - 03/31/90	1.2115	0.9868
140100	07/01/89 - 06/30/90	1.1758	0.9952	140165	04/01/89 - 03/31/90	1.0481	0.9841
140101	12/01/89 - 11/30/90	1.0949	0.9858	140166	07/01/89 - 06/30/90	1.2299	0.9848
140102	07/01/89 - 06/30/90	1.0178	0.9854	140167	10/01/89 - 09/30/90	1.0827	0.9913
140103	01/01/90 - 12/31/90	1.2261	0.9968	140168	07/01/89 - 06/30/90	1.1627	0.9732
140105	01/01/90 - 12/31/90	1.2915	0.9912	140170	07/01/89 - 08/30/90	0.9522	0.9640
140107	01/01/90 - 12/31/90	0.9264	0.9744	140171	07/01/89 - 06/30/90	0.8868	0.9777
140108	01/01/90 - 12/31/90	1.1775	0.9922	140172	07/01/89 - 06/30/90	1.4316	0.9930
140109	07/01/89 - 06/30/90	0.9970	0.9869	140173	07/01/89 - 06/30/90	1.0661	0.9702
140110	05/01/89 - 04/30/90	1.2026	0.9783	140174	07/01/89 - 06/30/90	1.3058	0.9929
140112	10/01/89 - 09/30/90	1.0832	0.9708	140176	10/01/89 - 09/30/90	1.2038	0.9876
140113	01/01/90 - 12/31/90	1.3321	0.9963	140177	04/01/89 - 03/31/90	1.2156	0.9873
140114	02/01/89 - 01/31/90	1.2319	0.9973	140178	07/01/89 - 06/30/90	1.2287	0.9948
140115	07/01/89 - 06/30/90	1.1195	1.0000	140180	01/01/90 - 12/31/90	1.3394	0.9977
140116	07/01/89 - 06/30/90	1.2873	0.9867	140181	01/01/90 - 12/31/90	1.3310	1.0000
140117	07/01/89 - 06/30/90	1.1732	0.9858	140182	11/01/89 - 10/31/90	1.2964	0.9957
140118	01/01/90 - 12/31/90	1.4709	0.9987	140184	05/01/89 - 04/30/90	1.1176	0.9809
140119	07/01/89 - 06/30/90	1.4876	0.9904	140185	01/01/90 - 12/31/90	1.3898	0.9904
140120	05/01/89 - 04/30/90	1.2365	0.9868	140186	01/01/90 - 12/31/90	1.1991	0.9894
140121	07/01/89 - 06/30/90	0.9611	0.9821	140187	07/01/89 - 06/30/90	1.3596	0.9913
140122	01/01/90 - 12/31/90	1.3828	0.9958	140188	09/01/89 - 08/31/90	0.9762	0.9607
140123	01/01/90 - 12/31/90	1.1419	0.9872	140189	07/01/89 - 06/30/90	1.1241	0.9840
140124	12/04/88 - 12/02/90	1.1161	0.9878	140190	05/01/89 - 04/30/90	1.0441	0.9636
140125	01/01/90 - 12/31/90	1.1898	0.9879	140191	01/01/90 - 12/31/90	1.3551	0.9980
140126	01/01/90 - 12/31/90	1.4473	0.9874	140192	10/01/89 - 09/30/90	1.0875	0.9839
140127	07/01/89 - 06/30/90	1.2851	0.9842	140193	07/01/89 - 06/30/90	0.9547	0.9482
140128	10/01/89 - 09/30/90	1.0906	0.9617	140197	10/01/89 - 09/30/90	1.3143	0.9924
140129	01/01/90 - 12/31/90	1.0308	0.9788	140199	07/01/89 - 06/30/90	1.0486	0.9733
140130	01/01/90 - 12/31/90	1.1341	0.9974	140200	07/01/89 - 06/30/90	1.4500	0.9975
140132	10/01/89 - 09/30/90	1.4675	0.9996	140202	01/01/90 - 12/31/90	1.2032	0.9868
140133	07/01/89 - 06/30/90	1.3400	0.9911	140203	10/01/89 - 09/30/90	1.1274	0.9850
140135	10/01/89 - 09/30/90	1.1815	0.9924	140205	06/01/89 - 05/31/90	0.9666	0.9558
140137	01/01/90 - 12/31/90	1.0423	0.9561	140206	10/01/89 - 09/30/90	1.1591	0.9968
140138	07/01/89 - 06/30/90	1.0858	0.9899	140207	01/01/90 - 12/31/90	1.2486	0.9984
140139	10/01/89 - 09/30/90	1.0732	0.9514	140208	01/01/90 - 12/31/90	1.4209	0.9983
140140	07/01/89 - 06/30/90	1.0716	0.9785	140209	01/01/90 - 12/31/90	1.5007	0.9976
140141	08/01/89 - 07/31/90	0.9879	0.9773	140210	05/01/89 - 04/30/90	1.0333	0.9769
140143	10/01/89 - 09/30/90	1.0425	0.9663	140211	09/01/89 - 08/31/90	1.1602	0.9869
140144	04/01/89 - 03/31/90	1.0754	0.8596	140212	01/01/90 - 12/31/90	1.3074	0.9972
140145	07/01/89 - 06/30/90	1.0853	0.9780	140213	04/01/89 - 03/31/90	1.2113	0.9911
140146	05/01/89 - 04/30/90	0.9569	0.9344	140215	07/01/89 - 06/30/90	1.0905	0.9885
140147	12/01/89 - 11/30/90	1.1217	0.9896	140217	09/01/89 - 08/31/90	1.2302	0.9913
140148	10/01/89 - 09/30/90	1.4577	0.9990	140218	07/01/89 - 06/30/90	0.9431	0.9672
140150	07/01/89 - 06/30/90	1.3408	0.9981	140220	10/01/89 - 09/30/90	1.1168	0.9650
140151	07/01/89 - 06/30/90	1.0835	1.0000	140223	07/01/89 - 06/30/90	1.4463	0.9875
140152	01/01/90 - 12/31/90	1.0924	0.8973	140224	07/01/89 - 06/30/90	1.2770	0.9974



Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
140226	10/01/89	09/30/90	0.7742	0.9991	150019	07/01/89	06/30/90	1.2560	0.9872
140228	06/01/89	05/31/90	1.5404	0.9975	150020	10/01/89	09/30/90	1.1067	1.0000
140229	05/01/89	04/30/90	1.0350	0.9728	150021	01/01/90	12/31/90	1.5918	0.9983
140230	07/01/89	06/30/90	0.9581	0.9742	150022	01/01/90	12/31/90	1.1181	0.9753
140231	07/01/89	06/30/90	1.2934	0.9708	150023	09/01/89	08/31/90	1.3815	0.9975
140232	12/01/88	05/31/90	1.0153	0.9652	150024	01/01/90	12/31/90	1.2053	0.9978
140233	10/01/89	09/30/90	1.5617	0.9974	150025	07/01/89	06/30/90	1.4536	0.9971
140234	07/01/89	06/30/90	1.1692	0.9988	150026	01/01/90	12/31/90	1.1601	0.9888
140236	10/01/89	09/30/90	1.0099	0.9937	150027	01/01/90	12/31/90	1.0140	0.9811
140239	03/01/89	02/28/90	1.4984	0.9958	150029	01/01/90	12/31/90	1.1982	0.9806
140240	01/01/90	12/31/90	1.2496	0.9945	150030	01/01/90	12/31/90	1.1981	0.9912
140242	07/01/89	06/30/90	1.3971	0.9957	150031	10/01/89	09/30/90	1.1053	0.9732
140245	07/01/89	06/30/90	1.0421	0.9703	150032	07/01/89	06/30/90	1.6520	0.9980
140246	07/01/89	06/30/90	1.0542	0.9739	150033	01/01/90	12/31/90	1.5367	0.9987
140250	05/01/89	04/30/90	1.2256	0.9907	150034	01/01/90	12/31/90	1.2917	0.9979
140251	07/01/89	06/30/90	1.2879	0.9901	150035	01/01/90	12/31/90	1.3549	0.9982
140252	11/01/89	10/31/90	1.2952	0.9885	150036	01/01/90	12/31/90	1.0221	0.9719
140253	10/01/89	09/30/90	1.3993	0.9865	150037	01/01/90	12/31/90	1.1833	0.9855
140258	01/01/90	12/31/90	1.3175	0.9924	150038	01/01/90	12/31/90	1.2433	0.9767
140271	01/01/90	12/31/90	1.0345	0.9271	150039	10/01/89	09/30/90	1.0802	0.9730
140273	07/01/89	06/30/90	1.1366	0.9675	150042	01/01/90	12/31/90	1.2162	0.9925
140275	04/01/89	03/31/90	1.1936	0.9929	150043	07/01/89	06/30/90	1.1048	0.9714
140276	07/01/89	06/30/90	1.9112	0.9982	150044	01/01/90	12/31/90	1.2416	0.9914
140280	06/01/89	05/31/90	1.1862	0.9869	150045	10/01/89	09/30/90	1.1226	0.9744
140281	09/01/89	08/31/90	1.4456	0.9985	150046	05/01/89	04/30/90	1.2265	0.9991
140285	01/01/90	12/31/90	1.2870	0.9930	150047	01/01/90	12/31/90	1.5482	0.9983
140286	05/01/89	04/30/90	1.1766	0.9787	150048	01/01/90	12/31/90	1.1884	0.9806
140288	01/01/90	12/31/90	1.5855	0.9950	150049	01/01/90	12/31/90	1.0826	0.9825
140289	01/01/90	12/31/90	1.2705	0.9880	150050	01/01/90	12/31/90	1.1673	0.9699
140290	09/01/89	08/31/90	1.3623	0.9863	150051	10/01/89	09/30/90	1.2157	0.9864
140291	01/01/90	12/31/90	1.2568	0.9901	150052	01/01/90	12/31/90	1.0242	0.9761
140292	01/01/90	12/31/90	1.1868	0.9817	150053	01/01/90	12/31/90	1.0809	0.9782
140294	01/01/90	12/31/90	1.0757	0.9710	150054	01/01/90	12/31/90	1.0721	0.9711
140295	10/01/89	09/30/90	0.8926	1.0000	150056	03/01/89	02/28/90	1.5755	0.9992
140297	06/01/89	05/31/90	1.3706	0.9936	150057	01/01/90	12/31/90	2.2108	0.9978
140299	07/01/89	06/30/90	0.9719	0.9795	150058	01/01/90	12/31/90	1.4631	0.9870
150001	01/01/90	12/31/90	1.1147	0.9888	150059	01/01/90	12/31/90	1.1375	0.9861
150002	01/01/90	12/31/90	1.3189	0.9947	150060	01/01/90	12/31/90	1.1471	0.9670
150003	01/01/90	12/31/90	1.5551	0.9973	150061	01/01/90	12/31/90	1.1698	0.9846
150004	01/01/90	12/31/90	1.2830	0.9971	150062	01/01/90	12/31/90	1.0349	0.9554
150005	01/01/90	12/31/90	1.1910	0.9826	150063	01/01/90	12/31/90	1.1839	0.9799
150006	01/01/90	12/31/90	1.2473	0.9915	150064	10/01/89	09/30/90	1.0532	0.9740
150007	01/01/90	12/31/90	1.2063	0.9825	150065	01/01/90	12/31/90	1.1044	0.9756
150008	01/01/90	12/31/90	1.3463	0.9992	150066	01/01/90	12/31/90	1.1175	0.9695
150009	01/01/90	12/31/90	1.2970	0.9960	150067	01/01/90	12/31/90	1.0916	0.9886
150010	01/01/90	12/31/90	1.2006	0.9916	150069	01/01/90	12/31/90	1.2329	0.9843
150011	07/01/89	06/30/90	1.1802	0.9911	150070	01/01/90	12/31/90	1.0782	0.9426
150012	07/01/89	06/30/90	1.5236	0.9952	150071	01/01/90	12/31/90	1.1911	0.9659
150013	01/01/90	12/31/90	1.0896	0.9713	150072	01/01/90	12/31/90	1.2387	0.9726
150014	07/01/89	06/30/90	1.2926	0.9903	150073	01/01/90	12/31/90	1.0562	0.9651
150015	01/01/90	12/31/90	1.2077	0.9914	150074	09/18/89	09/30/90	1.4115	0.9994
150017	01/01/90	12/31/90	1.5909	0.9997	150075	10/01/89	09/30/90	1.2537	0.9903
150018	01/01/90	12/31/90	1.1878	0.9882	150076	08/01/89	05/31/90	1.0108	0.9747

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Dischargees for Hospital-Specific Rate Calculations

Page 16 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
150077	07/01/89	06/30/90	1.1712	0.9868	160012	07/01/89	06/30/90	1.1248	0.9681
150078	01/01/90	12/31/90	1.0569	0.9882	160013	07/01/89	06/30/90	1.1993	0.9814
150079	10/01/89	09/30/90	1.1130	0.9844	160014	07/01/89	06/30/90	1.0187	0.9565
150082	05/01/89	04/30/90	1.3552	0.9998	160016	07/01/89	06/30/90	1.2580	0.9785
150084	07/01/89	06/30/90	1.6103	1.0000	160018	07/01/89	06/30/90	0.9351	0.9288
150085	06/01/89	05/31/90	0.9015	0.9588	160020	07/01/89	06/30/90	1.0890	0.9787
150086	01/01/90	12/31/90	1.1894	0.9786	160021	07/01/89	06/30/90	1.1077	0.9819
150088	06/01/89	05/31/90	1.1858	0.9912	160023	07/01/89	06/30/90	1.0817	0.9622
150089	07/01/89	06/30/90	1.2958	1.0000	160024	07/01/89	12/31/90	1.3771	0.9973
150090	01/01/90	12/31/90	1.2908	0.9941	160025	07/01/89	06/30/90	1.7182	0.9976
150091	01/01/90	12/31/90	1.2225	0.9713	160026	07/01/89	06/30/90	1.0796	0.9717
150092	01/01/90	12/31/90	1.1288	0.9320	160027	07/01/89	06/30/90	1.1659	0.9703
150094	01/01/90	12/31/90	1.0291	0.9772	160028	07/01/89	06/30/90	1.2570	0.9881
150095	10/01/89	09/30/90	1.0472	0.9797	160029	07/01/89	06/30/90	1.3203	0.9982
150096	01/01/90	12/31/90	1.0144	0.9786	160030	07/01/89	06/30/90	1.2304	0.9857
150097	01/01/90	12/31/90	1.0963	0.9667	160031	07/01/89	06/30/90	1.1067	0.9660
150098	01/01/90	12/31/90	1.0147	0.9608	160032	07/01/89	06/30/90	1.0088	0.9718
150099	07/01/89	06/30/90	1.3321	0.9932	160033	07/01/89	06/30/90	1.3222	0.9914
150100	07/01/89	06/30/90	1.5057	0.9950	160034	07/01/89	06/30/90	1.0364	0.9725
150101	01/01/90	12/31/90	1.1036	0.9662	160035	07/01/89	06/30/90	1.0588	0.9407
150102	01/01/90	12/31/90	1.0897	0.9990	160036	07/01/89	06/30/90	1.0874	0.9624
150103	07/01/89	06/30/90	1.0997	0.9713	160037	07/01/89	06/30/90	1.0812	0.9677
150104	01/01/90	12/31/90	1.1243	0.9659	160039	07/01/89	06/30/90	0.9974	0.9828
150105	01/01/90	12/31/90	1.2072	0.9549	160040	07/01/89	06/30/90	1.2203	0.9828
150106	01/01/90	12/31/90	1.0276	0.9591	160041	07/01/89	06/30/90	1.1356	0.9774
150109	01/01/90	12/31/90	1.2846	0.9991	160043	07/01/89	06/30/90	0.9538	0.9461
150110	05/01/89	04/30/90	0.9194	0.9545	160044	01/01/90	12/31/90	1.2187	0.9524
150111	01/01/90	12/31/90	1.1243	0.9749	160045	09/01/89	06/30/90	1.5113	0.9991
150112	01/01/90	12/31/90	1.1541	0.9920	160046	07/01/89	06/30/90	1.0229	0.9277
150113	01/01/90	12/31/90	1.1745	0.9835	160047	10/01/89	06/30/90	1.3453	0.9825
150114	01/01/90	12/31/90	1.0373	0.9938	160048	07/01/89	06/30/90	1.0434	0.9559
150115	07/01/89	06/30/90	1.2220	0.9873	160049	07/01/89	06/30/90	0.8510	0.9733
150122	01/01/90	12/31/90	1.1204	0.9433	160050	07/01/89	06/30/90	1.1128	0.9649
150123	08/01/89	07/31/90	0.9607	0.9958	160051	10/01/89	09/30/90	1.1705	0.9747
150124	10/01/89	09/30/90	1.1448	0.9819	160052	07/01/89	06/30/90	1.0258	0.9287
150125	07/01/89	06/30/90	1.3652	0.9976	160054	07/01/89	06/30/90	0.9870	0.9668
150126	07/01/89	06/30/90	1.5332	0.9993	160055	07/01/89	06/30/90	0.9598	0.9487
150127	10/01/89	09/30/90	1.2102	0.9593	160056	07/01/89	06/30/90	1.0303	0.9619
150128	10/01/89	09/30/90	1.1610	0.9563	160057	07/01/89	06/30/90	1.3428	0.9841
150129	09/01/89	08/31/90	1.2715	0.9892	160058	07/01/89	06/30/90	1.5856	0.9987
150130	07/01/89	06/30/90	1.1455	0.9791	160059	07/01/89	06/30/90	1.1755	0.9668
150132	01/01/90	12/31/90	1.3259	0.9991	160060	07/01/89	06/30/90	1.0642	0.9584
150133	01/01/90	12/31/90	1.2587	0.9751	160061	07/01/89	06/30/90	1.0265	0.9785
150134	09/01/89	08/31/90	1.2234	0.9705	160062	07/01/89	06/30/90	0.9992	0.9508
150135	07/01/89	06/30/90	0.8142	0.8257	160063	07/01/89	06/30/90	1.1932	0.9673
150136	09/01/89	08/31/90	1.0624	0.9705	160064	07/01/89	06/30/90	1.4465	0.9953
160001	11/01/89	10/31/90	1.1772	1.0000	160065	06/01/89	05/31/90	1.1177	0.9640
160002	10/01/89	09/30/90	1.1837	0.9579	160066	07/01/89	06/30/90	1.0504	0.9699
160003	01/01/90	12/31/90	1.0615	0.9754	160067	07/01/89	06/30/90	1.2244	0.9894
160005	07/01/89	06/30/90	1.1058	0.9754	160068	07/01/89	06/30/90	1.1230	0.9760
160007	07/01/89	06/30/90	0.9948	0.9460	160069	07/01/89	06/30/90	1.3624	0.9977
160008	10/01/89	09/30/90	1.0653	0.9789	160070	07/01/89	06/30/90	1.0512	0.9726
160009	07/01/89	06/30/90	1.1103	0.9753	160071	01/01/90	12/31/90	1.0905	0.9578

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

Page 17 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN -	END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN -	END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
160072	01/01/90 -	12/31/90	1.0717	0.9795	160135	07/01/89 -	06/30/90	0.9438	0.9704
160073	07/01/89 -	06/30/90	0.9701	0.9928	160138	01/01/90 -	12/31/90	0.9879	0.9896
160074	07/01/89 -	06/30/90	1.0342	0.9714	160140	07/01/89 -	06/30/90	1.0521	0.9705
160075	07/01/89 -	06/30/90	1.0392	0.9820	160141	07/01/89 -	06/30/90	0.9217	0.9497
160076	07/01/89 -	06/30/90	0.9540	0.9679	160142	07/01/89 -	06/30/90	1.1037	0.9455
160077	07/01/89 -	06/30/90	1.0837	0.9771	160143	07/01/89 -	06/30/90	1.0991	0.9581
160079	07/01/89 -	06/30/90	1.2921	0.9947	160145	07/01/89 -	06/30/90	1.0362	0.9490
160080	07/01/89 -	06/30/90	1.1278	0.9808	160146	07/01/89 -	06/30/90	1.2848	0.9943
160081	07/01/89 -	06/30/90	1.1241	0.9679	160147	01/01/90 -	12/31/90	1.2571	0.9722
160082	08/01/89 -	07/31/90	1.6201	0.9978	160151	07/01/89 -	06/30/90	1.1321	0.9857
160083	07/01/89 -	06/30/90	1.4415	0.9980	160152	07/01/89 -	06/30/90	1.0711	0.9574
160085	07/01/89 -	06/30/90	1.0404	0.9338	160153	07/01/89 -	06/30/90	1.5244	0.9983
160086	07/01/89 -	06/30/90	0.9861	0.9303	170001	01/01/90 -	12/31/90	1.1821	0.9729
160088	07/01/89 -	06/30/90	1.0605	0.9756	170003	07/01/89 -	06/30/90	1.1592	0.9829
160089	04/01/89 -	03/31/90	1.2137	0.9880	170004	01/01/90 -	12/31/90	1.1289	0.9707
160090	07/01/89 -	06/30/90	1.0600	0.9676	170006	07/01/89 -	06/30/90	1.1752	0.9932
160091	07/01/89 -	06/30/90	1.1429	0.9668	170007	07/01/89 -	06/30/90	1.1942	0.9838
160092	01/01/90 -	12/31/90	0.9957	0.9436	170008	09/01/89 -	08/31/90	1.0562	0.9658
160093	07/01/89 -	06/30/90	0.9544	0.9841	170009	06/01/89 -	05/31/90	1.1628	0.9901
160094	07/01/89 -	06/30/90	1.0935	0.9724	170010	07/01/89 -	06/30/90	1.1435	0.9602
160095	07/01/89 -	06/30/90	1.1168	0.9588	170011	07/01/89 -	06/30/90	1.3275	0.9911
160097	07/01/89 -	06/30/90	1.2218	0.9803	170012	10/01/89 -	09/30/90	1.4143	0.9921
160098	07/01/89 -	06/30/90	1.0253	0.9722	170013	07/01/89 -	06/30/90	1.2605	0.9982
160099	10/01/89 -	09/30/90	1.0734	0.9668	170014	01/01/90 -	12/31/90	1.0317	0.9851
160101	07/01/89 -	06/30/90	1.2055	0.9609	170015	06/01/89 -	05/31/90	1.5152	0.9987
160102	07/01/89 -	06/30/90	1.2738	0.9644	170016	06/01/89 -	05/31/90	1.1606	0.9784
160103	07/01/89 -	06/30/90	0.9677	0.9891	170017	01/01/90 -	12/31/90	1.0930	0.9562
160104	12/01/89 -	11/30/90	1.1255	0.9891	170018	01/01/90 -	12/31/90	1.2564	0.9816
160106	07/01/89 -	06/30/90	1.0625	0.9654	170019	01/01/90 -	12/31/90	1.2371	0.9784
160107	07/01/89 -	06/30/90	1.1010	0.9420	170020	07/01/89 -	06/30/90	0.9299	0.9761
160108	07/01/89 -	06/30/90	1.1724	0.9622	170021	01/01/90 -	12/31/90	0.9299	0.9761
160109	07/01/89 -	06/30/90	0.9934	0.9705	170022	10/01/89 -	09/30/90	1.2148	0.9643
160110	01/01/90 -	12/31/90	1.4713	0.9929	170023	01/01/90 -	12/31/90	1.3172	0.9856
160111	09/01/89 -	08/31/90	1.0508	0.9785	170024	10/01/89 -	09/30/90	1.1910	0.9855
160112	07/01/89 -	06/30/90	1.2542	0.9663	170025	07/01/89 -	06/30/90	1.2221	0.9883
160113	07/01/89 -	06/30/90	1.0393	0.9740	170026	10/01/89 -	09/30/90	1.0715	0.9759
160114	07/01/89 -	06/30/90	1.0154	0.9821	170027	10/01/89 -	09/30/90	1.1670	0.9779
160115	07/01/89 -	06/30/90	1.0817	0.9749	170030	01/01/90 -	12/31/90	1.0053	0.9442
160116	07/01/89 -	06/30/90	1.1590	0.9805	170031	01/01/90 -	12/31/90	0.8895	0.9787
160117	07/01/89 -	06/30/90	1.2656	0.9974	170032	10/01/89 -	09/30/90	1.0478	0.9664
160118	07/01/89 -	06/30/90	1.0734	0.9834	170033	01/01/90 -	12/31/90	1.2260	0.9825
160119	07/01/89 -	06/30/90	0.9113	0.9634	170034	01/01/90 -	12/31/90	1.0136	0.9775
160120	07/01/89 -	06/30/90	0.9993	0.9813	170035	10/01/89 -	09/30/90	0.9094	0.9199
160122	10/01/89 -	09/30/90	1.1220	0.9662	170036	01/01/90 -	12/31/90	0.8601	0.9619
160123	07/01/89 -	06/30/90	1.0819	0.9909	170037	07/01/89 -	06/30/90	1.1313	0.9779
160124	07/01/89 -	06/30/90	1.2038	0.9623	170038	01/01/90 -	12/31/90	0.9465	0.9524
160126	03/01/89 -	02/28/90	1.0888	0.9791	170039	01/01/90 -	12/31/90	1.0902	0.9820
160129	01/01/90 -	12/31/90	1.1634	0.9528	170040	07/01/89 -	06/30/90	1.3961	0.9948
160130	10/01/89 -	09/30/90	1.0801	0.9825	170041	01/01/90 -	12/31/90	0.9992	0.9439
160131	01/01/90 -	12/31/90	1.1933	0.9770	170043	01/01/90 -	12/31/90	1.0009	0.9424
160132	07/01/89 -	06/30/90	0.9197	0.9609	170044	07/01/89 -	06/30/90	1.2468	0.9695
160133	01/01/90 -	12/31/90	1.0931	0.9925	170045	07/01/89 -	06/30/90	1.0524	0.9824
160134	07/01/89 -	06/30/90	0.9243	0.9474	170049	01/01/90 -	12/31/90	1.2879	0.9890

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

Page 18 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
170050	01/01/90	12/31/90	0.9440	0.9467	170112	01/01/90	12/31/90	1.0997	0.9668
170051	05/01/89	04/30/90	0.9937	0.9359	170113	01/01/90	12/31/90	1.0959	0.9736
170052	05/01/89	04/30/90	1.0289	0.9826	170114	01/01/90	12/31/90	1.0385	0.9723
170053	04/01/89	03/31/90	0.9492	0.9574	170115	07/01/89	06/30/90	1.1334	0.9524
170054	01/01/90	12/31/90	1.0900	0.9769	170116	01/01/90	12/31/90	1.1265	0.9510
170055	01/01/90	12/31/90	1.0503	0.9680	170117	01/01/90	12/31/90	0.9744	0.9886
170056	04/01/89	03/31/90	0.9832	0.9807	170119	01/01/90	12/31/90	0.9993	0.9500
170057	07/01/89	06/30/90	1.0435	1.0000	170120	01/01/90	12/31/90	1.2061	0.9803
170058	07/01/89	06/30/90	1.0385	0.9841	170121	01/01/90	12/31/90	0.8459	0.9852
170060	07/01/89	06/30/90	0.9792	0.9713	170122	10/01/89	09/30/90	1.8133	0.9994
170061	04/01/89	03/31/90	1.0316	0.9660	170123	01/01/90	12/31/90	1.6034	0.9985
170062	10/01/89	09/30/90	0.9178	0.9504	170124	01/01/90	12/31/90	1.0168	0.9533
170063	01/01/90	12/31/90	0.8848	0.9177	170125	01/01/90	12/31/90	0.9459	0.9210
170064	01/01/90	12/31/90	1.1203	0.9783	170126	10/01/89	09/30/90	0.9922	0.9763
170066	01/01/90	12/31/90	0.9773	0.9617	170128	01/01/90	12/31/90	0.9531	0.9506
170067	07/01/89	06/30/90	0.9729	0.9351	170131	01/01/90	12/31/90	1.1280	0.9567
170068	01/01/90	12/31/90	1.1480	0.9883	170133	07/01/89	06/30/90	1.2299	0.9771
170069	07/01/89	06/30/90	0.8931	0.9459	170134	01/01/90	12/31/90	0.9688	0.9881
170070	01/01/90	12/31/90	0.9833	0.9348	170137	01/01/90	12/31/90	1.1629	0.9823
170072	07/01/89	03/31/90	0.9583	0.9322	170139	01/01/90	12/31/90	0.9211	0.9863
170073	01/01/90	12/31/90	1.1913	0.9812	170140	07/01/89	06/30/90	1.0403	0.9604
170074	05/01/89	04/30/90	1.1534	0.9886	170142	07/01/89	06/30/90	1.1996	0.9871
170075	10/01/89	09/30/90	0.8407	0.9412	170143	01/01/90	12/31/90	1.1197	0.9683
170076	01/01/90	12/31/90	1.1276	0.9955	170144	10/01/89	09/30/90	1.4322	0.9849
170077	01/01/90	12/31/90	1.0081	0.9704	170145	01/01/90	12/31/90	1.1570	0.9888
170079	01/01/90	12/31/90	0.9544	0.9730	170146	01/01/90	12/31/90	1.3243	0.9985
170080	01/01/90	12/31/90	0.9621	0.9241	170147	10/01/89	09/30/90	1.1518	0.9923
170081	01/01/90	12/31/90	1.1104	0.9678	170148	10/01/89	09/30/90	1.2964	0.9978
170082	01/01/90	12/31/90	0.9214	0.9900	170150	01/01/90	12/31/90	1.1446	0.9746
170084	07/01/89	06/30/90	1.0338	0.9766	170151	01/01/90	12/31/90	1.0125	0.9943
170085	07/01/89	06/30/90	0.9665	0.9512	170152	01/01/90	12/31/90	1.0015	0.9647
170086	10/01/89	09/30/90	1.5729	0.9968	170159	07/01/89	06/30/90	0.9939	0.9864
170087	10/01/89	09/30/90	1.3898	0.9983	170160	01/01/90	12/31/90	1.0112	0.9611
170088	01/01/90	12/31/90	0.9936	0.9534	170164	01/01/90	12/31/90	1.0750	0.9879
170089	07/01/89	06/30/90	0.9990	0.9554	170166	01/01/90	12/31/90	1.0321	0.9923
170090	01/01/90	12/31/90	0.9805	0.9775	170168	01/01/90	12/31/90	0.9044	0.9599
170092	01/01/90	12/31/90	0.8301	0.9557	170170	01/01/90	12/31/90	0.9298	0.9945
170093	04/01/89	03/31/90	1.0593	0.9692	170171	06/01/89	05/31/90	1.1446	0.9671
170094	01/01/90	12/31/90	0.9911	0.9586	170172	01/01/90	12/31/90	1.0625	0.9316
170095	07/01/89	06/30/90	1.1855	0.9840	170173	01/01/90	12/31/90	0.9322	0.9307
170097	01/01/90	12/31/90	0.9021	0.9389	170174	01/01/90	12/31/90	0.8773	0.9819
170098	01/01/90	12/31/90	1.0061	0.9849	170175	09/01/89	08/31/90	1.2598	0.9745
170099	01/01/90	12/31/90	1.2552	0.9786	170176	09/01/89	08/31/90	1.4624	0.9970
170100	05/01/89	04/30/90	0.8282	0.9558	180001	12/31/90	1.1273	0.9972	0.9972
170101	10/01/89	09/30/90	1.1115	0.9829	180002	07/01/89	06/30/90	1.1005	0.9835
170102	01/01/90	12/31/90	1.0063	0.9339	180004	10/01/89	09/30/90	1.1458	0.9700
170103	07/01/89	06/30/90	1.1869	0.9732	180005	07/01/89	06/30/90	1.0242	0.8788
170104	01/01/90	12/31/90	1.4082	0.9983	180006	05/01/89	04/30/90	0.8632	0.9714
170105	07/01/89	06/30/90	1.0200	0.9694	180007	07/01/89	06/30/90	1.3784	0.9952
170106	09/01/89	08/31/90	0.8846	0.9238	180009	10/01/89	09/30/90	1.1193	0.9954
170108	01/01/90	12/31/90	0.9383	0.9245	180010	09/01/89	08/31/90	1.6857	0.9985
170109	01/01/90	12/31/90	1.0107	0.9415	180011	09/01/89	08/31/90	1.1555	0.9755
170110	01/01/90	12/31/90	0.9767	0.9617	180012	07/01/89	06/30/90	1.2416	0.9914

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments  
to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD			TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD			TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
	BEGIN	END	-				BEGIN	END	-		
180013	04/01/89	03/31/90	-	1.3183	0.9952	180075	05/01/89	04/30/90	-	0.9471	0.9764
180014	09/01/89	08/31/90	-	1.5181	0.9995	180078	10/01/89	09/30/90	-	1.0206	0.9867
180015	01/01/90	12/31/90	-	1.1203	0.9937	180079	10/01/89	09/30/90	-	0.9972	0.9857
180016	01/01/90	12/31/90	-	1.2155	0.9836	180080	09/01/89	08/31/90	-	1.1818	0.9878
180017	10/01/89	09/30/90	-	1.2638	0.9932	180081	01/01/90	12/31/90	-	1.3886	0.9981
180018	08/01/89	06/30/90	-	1.2133	0.9887	180085	01/01/90	12/31/90	-	1.2416	0.9953
180019	12/01/89	11/30/90	-	1.1912	0.9835	180087	07/01/89	06/30/90	-	1.0203	0.9883
180020	07/01/89	06/30/90	-	1.0217	0.9693	180088	01/01/90	12/31/90	-	1.5530	0.9994
180021	07/01/89	06/30/90	-	0.9735	0.9866	180092	07/01/89	06/30/90	-	1.1142	0.9769
180023	10/01/89	09/30/90	-	0.8626	0.9658	180093	01/01/90	12/31/90	-	1.3742	0.9888
180024	07/01/89	06/30/90	-	1.0309	0.9673	180094	01/01/90	12/31/90	-	0.9704	0.9659
180025	09/01/89	08/31/90	-	1.1080	0.9792	180095	10/01/89	09/30/90	-	1.0006	0.9649
180026	01/01/90	12/31/90	-	1.0361	0.9437	180099	10/01/89	09/30/90	-	0.9458	0.9679
180027	04/01/89	03/31/90	-	1.1158	0.9839	180101	03/01/89	02/28/90	-	1.2397	0.9819
180028	07/01/89	06/30/90	-	0.9894	0.9690	180102	01/01/90	12/31/90	-	1.3337	0.9989
180029	07/01/89	06/30/90	-	1.2532	0.9851	180103	09/01/89	08/31/90	-	1.6766	0.9968
180030	10/01/89	09/30/90	-	1.1240	0.9767	180104	09/01/89	08/31/90	-	1.3933	0.9985
180031	10/01/89	09/30/90	-	1.0006	0.9941	180105	03/01/89	02/28/90	-	0.9294	0.9708
180032	07/01/89	06/30/90	-	0.9173	0.9688	180106	09/01/89	08/31/90	-	0.8961	0.9708
180033	05/01/89	04/30/90	-	0.9924	0.9609	180108	07/01/89	06/30/90	-	0.9691	0.9718
180034	07/01/89	06/30/90	-	1.0059	0.9915	180115	11/01/89	10/31/90	-	1.0007	0.9609
180035	01/01/90	12/31/90	-	1.4203	0.9984	180116	09/01/89	08/31/90	-	1.2315	0.9887
180036	01/01/90	12/31/90	-	1.0623	0.9937	180117	06/01/89	05/31/90	-	1.2013	0.9314
180037	09/01/89	08/31/90	-	1.3246	0.9933	180118	07/01/89	06/30/90	-	1.0154	0.9892
180038	06/01/89	05/31/90	-	1.2365	0.9953	180120	01/01/90	12/31/90	-	0.9464	0.9465
180040	01/01/90	12/31/90	-	1.8142	0.9983	180121	01/01/90	12/31/90	-	1.0867	0.9822
180041	10/01/89	09/30/90	-	1.0949	0.9673	180122	07/01/89	06/30/90	-	0.9655	0.9361
180042	07/01/89	06/30/90	-	1.0513	0.9458	180123	09/01/89	08/30/90	-	1.3366	0.9945
180043	10/01/89	09/30/90	-	1.0110	0.9314	180124	10/01/89	09/30/90	-	1.2165	0.9970
180044	10/01/89	09/30/90	-	1.1104	0.9764	180125	07/01/89	06/30/90	-	1.0080	0.9762
180045	01/01/90	12/31/90	-	1.1749	0.9938	180126	11/01/89	10/31/90	-	1.0164	0.9657
180046	07/01/89	06/30/90	-	1.0046	0.9857	180127	08/01/89	07/31/90	-	1.1462	0.9835
180047	07/01/89	06/30/90	-	1.0273	0.9598	180128	09/01/89	08/31/90	-	1.0833	0.9857
180048	10/01/89	09/30/90	-	1.1702	0.9887	180129	05/01/89	04/30/90	-	1.2115	0.9557
180049	07/01/89	06/30/90	-	1.3492	0.9855	180130	09/01/89	08/31/90	-	1.3598	0.9956
180050	07/01/89	06/30/90	-	1.2744	0.9572	180132	09/01/89	08/31/90	-	1.2989	0.9879
180051	12/01/89	11/30/90	-	1.1759	0.9858	180133	09/01/89	08/31/90	-	1.1959	0.9900
180053	07/01/89	06/30/90	-	0.9597	0.9896	180134	07/01/89	06/30/90	-	1.0928	0.9720
180054	07/01/89	06/30/90	-	1.0257	0.9572	180136	09/01/89	08/31/90	-	1.2705	0.9956
180055	07/01/89	06/30/90	-	1.0334	0.9706	180137	09/01/89	08/31/90	-	1.7292	0.9928
180056	07/01/89	06/30/90	-	1.0401	0.9869	180138	01/01/90	12/31/90	-	1.1770	0.9910
180058	01/01/90	12/31/90	-	0.8968	0.9702	180139	07/01/89	06/30/90	-	0.9416	0.9702
180059	01/01/90	12/31/90	-	0.9109	0.9610	190001	07/01/89	06/30/90	-	0.9231	1.0000
180060	01/01/90	12/31/90	-	0.9148	0.9425	190002	10/01/89	09/30/90	-	1.5039	0.9964
180062	07/01/89	06/30/90	-	0.8903	0.9270	190003	09/01/89	08/31/90	-	1.3192	0.9840
180063	10/01/89	09/30/90	-	1.0452	0.9749	190004	10/01/89	09/30/90	-	1.1476	0.9878
180064	10/01/89	09/30/90	-	1.0743	0.9841	190005	07/01/89	06/30/90	-	1.2165	0.9967
180065	07/01/89	06/30/90	-	0.9618	0.9550	190006	07/01/89	06/30/90	-	1.1584	1.0000
180066	11/01/89	10/31/90	-	1.0998	0.9704	190007	07/01/89	06/30/90	-	0.9735	0.9735
180067	07/01/89	06/30/90	-	1.6794	0.9967	190008	04/01/89	03/31/90	-	1.3732	0.9937
180069	07/01/89	06/30/90	-	1.1132	0.9866	190009	07/01/89	06/30/90	-	1.1265	0.9933
180070	07/01/89	06/30/90	-	1.0095	0.9782	190010	07/01/89	06/30/90	-	1.0448	1.0000
180072	10/01/89	09/30/90	-	1.0260	0.9787	190011	07/01/89	06/30/90	-	1.0599	0.9931

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
190012	01/01/89	04/30/90	0.9998	0.9866	190109	10/01/89	09/30/90	1.0649	0.9849
190013	01/01/90	12/31/90	1.2190	0.9868	190110	10/01/89	09/30/90	0.9860	0.9552
190014	10/01/89	09/30/90	0.9428	0.9898	190111	09/30/90	09/30/90	1.4576	0.9991
190015	07/01/89	06/30/90	1.2174	0.9827	190112	06/01/89	05/31/90	1.3154	0.9909
190017	07/01/89	06/30/90	1.2333	0.9830	190113	01/01/90	12/31/90	1.2396	0.9997
190018	10/01/89	09/30/90	1.2003	0.9872	190114	07/01/89	06/30/90	0.9635	0.9869
190019	07/01/89	06/30/90	1.4313	0.9995	190115	01/01/90	12/31/90	1.3229	0.9974
190020	07/01/89	06/30/90	1.1462	0.9824	190116	01/01/90	12/31/90	1.1986	0.9889
190023	07/01/89	06/30/90	0.9396	0.9341	190118	10/01/89	09/30/90	1.0157	0.9702
190025	10/01/89	09/30/90	1.1781	0.9837	190119	07/01/89	06/30/90	0.9672	0.9903
190026	10/01/89	09/30/90	1.2736	0.9880	190120	09/01/89	08/31/90	0.8856	0.8995
190027	07/01/89	06/30/90	1.3756	0.9967	190122	07/01/89	06/30/90	1.2376	0.9976
190029	07/01/89	06/30/90	1.2518	0.9533	190124	07/01/89	06/30/90	1.3532	0.9996
190033	06/01/89	05/31/90	0.9181	0.9755	190125	10/01/89	09/30/90	1.2883	0.9983
190034	01/01/90	12/31/90	1.2452	0.9842	190127	10/01/89	09/30/90	1.3905	0.9981
190035	07/01/89	06/30/90	1.3987	0.9998	190128	10/01/89	09/30/90	0.8687	0.9947
190036	05/01/89	04/30/90	1.5539	0.9990	190130	10/01/89	09/30/90	0.9889	0.9716
190037	07/01/89	06/30/90	1.0025	0.9250	190131	07/01/89	06/30/90	1.2170	0.9806
190039	01/01/90	12/31/90	1.3860	0.9887	190132	07/01/89	06/30/90	1.1161	0.9709
190040	10/01/89	09/30/90	1.3069	0.9875	190133	06/01/89	05/31/90	1.0130	0.9832
190041	07/01/89	06/30/90	1.4872	0.9980	190134	10/01/89	09/30/90	1.0367	0.9895
190043	01/01/90	12/31/90	1.0422	0.9854	190135	10/01/89	09/30/90	1.3192	0.9987
190044	10/01/89	09/30/90	1.0797	0.9755	190136	10/01/89	09/30/90	0.9450	0.9647
190045	07/01/89	06/30/90	1.2358	0.9906	190138	05/01/89	04/30/90	0.7519	0.9983
190046	01/01/90	12/31/90	1.4029	0.9887	190140	05/01/89	04/30/90	0.9952	0.9787
190047	07/01/89	06/30/90	1.0991	0.9697	190142	11/01/89	10/31/90	0.9591	0.9833
190048	07/01/89	06/30/90	1.0880	0.9745	190144	09/01/89	08/31/90	1.1512	0.9709
190049	01/01/90	12/31/90	1.0245	0.9811	190145	10/01/89	09/30/90	0.9387	0.9942
190050	11/01/89	10/31/90	1.1058	0.9811	190146	10/01/90	12/31/90	1.4781	0.9984
190053	12/01/89	11/30/90	1.0167	0.9621	190147	10/01/89	09/30/90	0.9864	0.9682
190054	07/01/89	06/30/90	1.3395	0.9886	190148	06/01/89	05/31/90	0.8695	0.9688
190059	11/01/89	10/31/90	0.9519	0.9749	190149	10/01/89	09/30/90	0.9934	0.9661
190060	01/01/90	12/31/90	1.2580	0.9957	190151	10/01/89	09/30/90	1.1062	0.9930
190064	01/01/90	12/31/90	1.4168	0.9991	190152	06/01/89	05/31/90	1.3427	0.9894
190065	10/01/89	09/30/90	1.4045	0.9977	190155	07/01/89	06/30/90	1.0121	0.9850
190071	07/01/89	06/30/90	0.9690	0.9964	190156	07/01/89	06/30/90	0.8622	0.9698
190075	07/01/89	06/30/90	1.3603	0.9964	190158	06/01/89	05/31/90	1.2830	0.9987
190077	01/01/90	12/31/90	0.8758	0.9781	190160	09/01/89	08/31/90	1.1102	0.9969
190078	01/01/90	12/31/90	1.1959	0.9850	190161	07/01/89	06/30/90	0.9200	1.0000
190079	08/01/89	07/31/90	1.2519	0.9958	190162	09/01/89	08/31/90	1.1371	1.0000
190081	07/01/89	06/30/90	0.8660	0.9508	190164	01/01/90	12/31/90	1.1062	0.9938
190083	10/01/89	09/30/90	0.8789	0.9458	190165	05/01/89	04/30/90	1.0124	0.9138
190086	05/01/89	04/30/90	1.1918	0.9859	190166	07/01/89	06/30/90	1.0975	0.9541
190088	09/01/89	08/31/90	1.2099	0.9772	190167	09/01/89	08/31/90	1.3184	0.9852
190089	10/01/89	09/30/90	1.1049	0.9836	190170	04/01/89	03/31/90	0.9702	0.9743
190090	08/01/89	08/31/90	1.2189	0.9801	190173	08/01/89	05/31/90	1.3304	0.9886
190092	07/01/89	12/31/90	1.2251	0.9880	190175	01/01/90	12/31/90	1.3161	1.0000
190095	10/01/89	09/30/90	1.0549	0.9808	190176	07/01/89	06/30/90	1.4141	0.9991
190098	07/01/89	06/30/90	1.2812	0.9987	190177	01/01/90	12/31/90	1.5006	0.9941
190099	09/01/89	08/31/90	1.2537	0.9670	190178	09/01/89	08/31/90	1.0139	0.9755
190102	10/01/89	09/30/90	1.4344	0.9981	190182	03/01/89	02/28/90	1.1017	1.0000
190103	05/01/89	04/30/90	0.9546	0.9645	190183	07/01/89	06/30/90	1.0452	0.9993
190106	09/01/89	08/31/90	1.1436	0.9836	190184	01/01/89	09/30/90	0.9745	0.9828

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
	BEGIN	END				BEGIN	END		
190185	01/01/90	12/31/90	1.1928	0.9987	200041	01/01/90	12/31/90	1.1430	0.9885
190186	10/01/89	09/30/90	0.9244	0.9777	200043	01/01/90	12/31/90	0.7561	0.9907
190187	05/01/89	04/30/90	0.7229	0.9848	200044	10/01/89	09/30/90	1.1481	0.9887
190189	01/01/90	12/31/90	1.2159	0.9865	200050	07/01/89	06/30/90	1.1080	0.9784
190190	04/01/89	03/31/90	1.0070	0.9831	200051	07/01/89	06/30/90	0.9673	0.9646
190191	01/01/90	12/31/90	1.1646	0.9931	200052	10/01/89	09/30/90	1.0729	0.9921
190193	01/01/90	12/31/90	1.1878	0.9967	200055	01/01/90	12/31/90	1.0481	0.9764
190194	10/01/89	09/30/90	1.1775	0.9668	200062	01/01/90	12/31/90	0.9630	0.9895
190196	05/01/89	04/30/90	1.0013	0.9718	200063	04/01/89	03/31/90	1.2179	0.9833
190197	01/01/90	12/31/90	1.1572	0.9933	200066	07/01/89	09/30/90	1.2433	0.9833
190198	09/01/89	08/31/90	1.1047	0.9905	210001	07/01/89	06/30/90	1.2767	0.9997
190199	07/01/89	06/30/90	1.1908	0.9684	210002	07/01/89	06/30/90	1.7069	0.9997
190200	09/01/89	08/31/90	1.4966	0.9978	210003	07/01/89	06/30/90	1.1766	0.9946
190201	09/01/89	08/31/90	1.2255	0.9789	210004	07/01/89	06/30/90	1.2845	0.9896
190202	09/01/89	08/31/90	1.2643	0.9931	210005	07/01/89	06/30/90	1.2321	0.9863
190203	01/01/90	12/31/90	1.6139	1.0000	210006	01/01/90	12/31/90	1.0947	0.9972
190204	05/01/89	05/31/90	1.3563	0.9968	210007	07/01/89	06/30/90	1.4048	1.0000
190205	09/01/89	08/31/90	1.3333	0.9963	210008	07/01/89	06/30/90	1.1940	0.9999
190206	09/01/89	08/31/90	1.3930	0.9989	210009	07/01/89	06/30/90	1.4108	0.9861
190207	09/01/89	08/31/90	1.2575	0.9920	210010	07/01/89	06/30/90	1.2008	0.9861
190208	01/01/90	12/31/90	0.8412	0.9542	210011	07/01/89	06/30/90	1.2767	0.9967
190211	01/01/90	12/31/90	0.8753	0.9917	210012	07/01/89	06/30/90	1.2789	0.9965
190212	04/03/89	12/31/90	0.8928	1.0000	210013	07/01/89	06/30/90	1.2948	0.9955
200001	01/01/90	12/31/90	1.2943	0.9943	210015	07/01/89	06/30/90	1.2176	0.9960
200002	05/01/89	04/30/90	1.0401	0.9508	210016	07/01/89	06/30/90	1.6477	0.9972
200003	07/01/89	06/30/90	0.9672	0.9740	210017	07/01/89	06/30/90	1.1213	0.9790
200006	10/01/89	09/30/90	1.1125	0.9361	210018	07/01/89	06/30/90	1.2945	0.9925
200007	11/01/89	10/31/90	1.0037	0.9817	210019	07/01/89	06/30/90	1.2845	0.9993
200008	07/01/89	06/30/90	1.2161	0.9951	210021	07/01/89	06/30/90	1.1761	0.9908
200009	10/01/89	09/30/90	1.6334	0.9977	210022	07/01/89	06/30/90	1.2238	0.9940
200012	07/01/89	06/30/90	1.1154	0.9804	210023	07/01/89	06/30/90	1.2329	0.9889
200013	07/01/89	06/30/90	1.1419	0.9833	210024	07/01/89	06/30/90	1.2409	0.9966
200015	07/01/89	06/30/90	1.2888	0.9909	210025	07/01/89	06/30/90	1.1902	0.9974
200016	07/01/89	06/30/90	1.0195	0.9848	210026	07/01/89	06/30/90	1.2932	0.9969
200017	09/01/89	08/31/90	1.2868	0.9956	210027	07/01/89	06/30/90	1.1816	0.9965
200018	01/01/90	12/31/90	1.1139	0.9916	210028	07/01/89	06/30/90	1.0160	0.9808
200019	05/01/89	04/30/90	1.2410	0.9932	210029	07/01/89	06/30/90	1.2616	0.9884
200020	07/01/89	06/30/90	1.0517	0.9910	210030	07/01/89	06/30/90	0.9964	0.9871
200021	10/01/89	09/30/90	1.1787	0.9828	210031	07/01/89	06/30/90	1.6650	1.0000
200023	04/01/89	03/31/90	0.9004	0.9865	210032	07/01/89	06/30/90	1.1205	0.9886
200024	07/01/89	06/30/90	1.1609	0.9868	210033	07/01/89	06/30/90	1.1383	0.9986
200025	01/01/90	12/31/90	1.1082	0.9951	210034	07/01/89	06/30/90	1.1673	0.9976
200026	10/01/89	09/30/90	1.0255	0.9917	210035	07/01/89	06/30/90	1.1096	0.9931
200027	01/01/90	12/31/90	1.0724	0.9753	210036	07/01/89	06/30/90	1.1817	0.9932
200028	12/01/89	11/30/90	0.9850	0.9632	210037	07/01/89	06/30/90	1.1939	0.9935
200031	01/01/90	12/31/90	1.2258	0.9945	210038	07/01/89	06/30/90	1.3212	0.9863
200032	01/01/90	12/31/90	1.2719	0.9871	210039	07/01/89	06/30/90	1.1238	0.9940
200033	10/01/89	09/29/90	1.6803	0.9986	210040	07/01/89	06/30/90	1.2683	0.9936
200034	01/01/90	12/31/90	1.1893	0.9926	210043	07/01/89	06/30/90	1.1882	1.0000
200037	07/01/89	06/30/90	1.1674	0.9708	210044	07/01/89	06/30/90	1.2041	0.9947
200038	05/01/89	04/30/90	1.0838	0.9855	210045	07/01/89	06/30/90	1.0213	0.9897
200039	04/01/89	03/31/90	1.2463	0.9957	210046	07/01/89	06/30/90	1.1000	0.9886
200040	06/01/89	05/31/90	1.0624	0.9786	210048	07/01/89	06/30/90	1.0939	0.9930



Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

Page 22 of 52

PROVIDER				COST REPORTING PERIOD				TRANSFER ADJUSTED CASE MIX INDEX		TRANSFER ADJUSTMENT TO DISCHARGES		PROVIDER				COST REPORTING PERIOD				TRANSFER ADJUSTED CASE MIX INDEX		TRANSFER ADJUSTMENT TO DISCHARGES				
NUMBER	BEGIN	END	INDEX	DISCHARGES	NUMBER	BEGIN	END	INDEX	DISCHARGES	NUMBER	BEGIN	END	INDEX	DISCHARGES	NUMBER	BEGIN	END	INDEX	DISCHARGES	NUMBER	BEGIN	END	INDEX	DISCHARGES		
210049	01/01/90	-	12/31/90	-	1.1171	0.9874	220064	10/01/89	-	09/30/90	-	09/30/90	-	1.1995	0.9920	220064	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1995	0.9920
210051	07/01/89	-	06/30/90	-	1.2415	0.9944	220065	10/01/89	-	09/30/90	-	09/30/90	-	1.1432	0.9920	220065	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1432	0.9920
210054	07/01/89	-	06/30/90	-	1.2327	0.9953	220066	10/01/89	-	09/30/90	-	09/30/90	-	1.2996	0.9936	220066	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.2996	0.9936
210055	07/01/89	-	06/30/90	-	1.2006	0.9899	220067	10/01/89	-	09/30/90	-	09/30/90	-	1.1961	0.9954	220067	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1961	0.9954
210056	07/01/89	-	06/30/90	-	1.3585	0.9963	220068	10/01/89	-	09/30/90	-	09/30/90	-	0.6394	0.9806	220068	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	0.6394	0.9806
210057	07/01/89	-	06/30/90	-	1.1476	0.9934	220070	10/01/89	-	09/30/90	-	09/30/90	-	1.1619	1.0000	220070	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1619	1.0000
210058	07/01/89	-	06/30/90	-	1.6844	0.9878	220071	10/01/89	-	09/30/90	-	09/30/90	-	1.7678	0.9981	220071	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.7678	0.9981
210059	07/01/89	-	06/30/90	-	1.2688	0.9928	220072	10/01/89	-	09/30/90	-	09/30/90	-	1.2089	0.9973	220072	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.2089	0.9973
220001	10/01/89	-	09/30/90	-	1.1548	1.0000	220074	10/01/89	-	09/30/90	-	09/30/90	-	1.0880	0.9723	220074	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.0880	0.9723
220002	10/01/89	-	09/30/90	-	1.3332	0.9966	220075	10/01/89	-	09/30/90	-	09/30/90	-	0.7475	0.9932	220075	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	0.7475	0.9932
220003	10/01/89	-	09/30/90	-	1.0098	0.9752	220076	10/01/89	-	09/30/90	-	09/30/90	-	1.1935	0.9911	220076	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1935	0.9911
220004	10/01/89	-	09/30/90	-	1.3538	0.9869	220077	10/01/89	-	09/30/90	-	09/30/90	-	1.6091	0.9992	220077	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.6091	0.9992
220006	10/01/89	-	09/30/90	-	1.2104	0.9966	220079	10/01/89	-	09/30/90	-	09/30/90	-	1.1200	0.9973	220079	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1200	0.9973
220008	10/01/89	-	09/30/90	-	1.2063	0.9912	220080	10/01/89	-	09/30/90	-	09/30/90	-	1.1496	0.9939	220080	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1496	0.9939
220010	10/01/89	-	09/30/90	-	1.1835	0.9957	220081	10/01/89	-	09/30/90	-	09/30/90	-	0.9858	0.9824	220081	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	0.9858	0.9824
220011	07/01/89	-	06/30/90	-	1.2571	0.9978	220082	10/01/89	-	09/30/90	-	09/30/90	-	1.1948	0.9919	220082	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1948	0.9919
220012	10/01/89	-	09/30/90	-	1.1968	0.9830	220083	07/01/89	-	06/30/90	-	06/30/90	-	1.1870	0.9940	220083	07/01/89	-	06/30/90	-	06/30/90	-	06/30/90	-	1.1870	0.9940
220015	10/01/89	-	09/30/90	-	1.2033	0.9927	220084	10/01/89	-	09/30/90	-	09/30/90	-	1.2049	0.9702	220084	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.2049	0.9702
220016	10/01/89	-	09/30/90	-	1.1595	0.9924	220086	10/01/89	-	09/30/90	-	09/29/90	-	1.5480	0.9981	220086	10/01/89	-	09/29/90	-	09/29/90	-	09/29/90	-	1.5480	0.9981
220017	10/01/89	-	09/30/90	-	1.2504	0.9941	220088	10/01/89	-	09/30/90	-	09/30/90	-	1.5330	0.9912	220088	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.5330	0.9912
220019	10/01/89	-	09/30/90	-	1.0830	0.9939	220089	10/01/89	-	09/30/90	-	09/30/90	-	1.2361	0.9911	220089	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.2361	0.9911
220020	10/01/89	-	09/30/90	-	1.0885	0.9941	220090	10/01/89	-	09/30/90	-	09/30/90	-	1.2288	0.9918	220090	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.2288	0.9918
220021	10/01/89	-	09/30/90	-	1.1765	0.9933	220092	10/01/89	-	09/30/90	-	09/30/90	-	1.2005	0.9934	220092	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.2005	0.9934
220023	10/01/89	-	09/30/90	-	1.2132	0.9959	220094	10/01/89	-	09/30/90	-	09/30/90	-	1.1675	0.9902	220094	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1675	0.9902
220024	10/01/89	-	09/30/90	-	1.1770	0.9941	220095	10/01/89	-	09/30/90	-	09/30/90	-	1.1755	0.9883	220095	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1755	0.9883
220025	10/01/89	-	09/30/90	-	1.0604	0.9927	220097	10/01/89	-	09/30/90	-	09/30/90	-	1.0505	1.0000	220097	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.0505	1.0000
220026	10/01/89	-	09/30/90	-	1.2255	0.9924	220098	10/01/89	-	09/30/90	-	09/30/90	-	1.1380	0.9845	220098	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1380	0.9845
220028	10/01/89	-	09/30/90	-	1.3316	0.9983	220099	10/01/89	-	09/30/90	-	09/30/90	-	1.1167	1.0000	220099	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1167	1.0000
220029	10/01/89	-	09/30/90	-	1.1207	0.9915	220100	10/01/89	-	09/30/90	-	09/30/90	-	1.2309	0.9961	220100	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.2309	0.9961
220030	10/01/89	-	09/30/90	-	1.0377	0.9827	220101	10/01/89	-	09/30/90	-	09/30/90	-	1.3131	0.9942	220101	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.3131	0.9942
220031	10/01/89	-	09/28/90	-	1.6851	0.9987	220104	10/01/89	-	09/30/90	-	09/30/90	-	1.1889	0.9929	220104	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1889	0.9929
220033	10/01/89	-	09/30/90	-	1.1636	0.9967	220105	10/01/89	-	09/30/90	-	09/30/90	-	1.1543	0.9883	220105	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1543	0.9883
220034	10/01/89	-	03/31/90	-	1.1376	0.9888	220106	10/01/89	-	09/30/90	-	09/30/90	-	1.1135	0.9854	220106	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1135	0.9854
220035	10/01/89	-	09/30/90	-	1.1800	0.9987	220107	10/01/89	-	09/30/90	-	09/30/90	-	1.1179	0.9968	220107	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1179	0.9968
220036	10/01/89	-	09/30/90	-	1.4862	0.9976	220108	10/01/89	-	09/30/90	-	09/30/90	-	1.1551	0.9919	220108	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.1551	0.9919
220038	10/01/89	-	09/30/90	-	1.2070	0.9908	220110	10/01/89	-	09/30/90	-	09/30/90	-	1.9000	0.9971	220110	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.9000	0.9971
220040	07/01/89	-	06/30/90	-	1.2746	0.9905	220111	10/01/89	-	06/30/90	-	06/30/90	-	1.1785	0.9767	220111	10/01/89	-	06/30/90	-	06/30/90	-	06/30/90	-	1.1785	0.9767
220041	07/01/89	-	06/30/90	-	1.1621	0.9921	220114	07/01/89	-	06/30/90	-	06/30/90	-	1.0836	0.9918	220114	07/01/89	-	06/30/90	-	06/30/90	-	06/30/90	-	1.0836	0.9918
220042	10/01/89	-	09/30/90	-	1.1394	0.9901	220115	07/01/89	-	09/30/90	-	06/30/90	-	1.3487	0.9947	220115	07/01/89	-	06/30/90	-	06/30/90	-	06/30/90	-	1.3487	0.9947
220045	10/01/89	-	09/30/90	-	1.2064	0.9926	220116	10/01/89	-	09/30/90	-	09/28/90	-	1.7284	0.9962	220116	10/01/89	-	09/28/90	-	09/28/90	-	09/28/90	-	1.7284	0.9962
220046	10/01/89	-	09/30/90	-	1.3851	0.9956	220117	10/01/89	-	09/30/90	-	09/30/90	-	0.9730	0.9949	220117	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	0.9730	0.9949
220048	10/01/89	-	09/30/90	-	1.1725	0.9945	220118	09/25/89	-	09/30/90	-	09/30/90	-	1.8485	0.9980	220118	09/25/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.8485	0.9980
220049	10/01/89	-	09/30/90	-	1.1349	0.9889	220119	10/01/89	-	09/30/90	-	09/30/90	-	1.3011	0.9908	220119	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	1.3011	0.9908
220050	10/01/89	-	09/30/90	-	1.0083	0.9826	220120	10/01/89	-	09/30/90	-	09/30/90	-	0.9870	1.0000	220120	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	0.9870	1.0000
220051	10/01/89	-	09/30/90	-	1.1794	0.9891	220123	10/01/89	-	09/30/90	-	09/30/90	-	0.9017	0.9594	220123	10/01/89	-	09/30/90	-	09/30/90	-	09/30/90	-	0.9017	0.9594
220052	10/01/89	-	09/30/90	-	1.2142	0.9911	220126	10/01/89	-	09/30/90	-	09/30/90	-	1.2557	0.9793	220126										

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment  
to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
220156	10/01/89 - 09/30/90	1.1949	0.9872	230070	07/01/89 - 06/30/90	1.3048	0.9918
220162	10/01/89 - 09/30/90	1.2286	1.0000	230071	11/01/89 - 10/31/90	0.6786	1.0000
220163	07/01/89 - 06/30/90	1.9032	0.9983	230072	04/01/89 - 03/31/90	1.1830	0.9997
220171	10/01/89 - 09/30/90	1.4377	0.9957	230075	07/01/89 - 06/30/90	1.2416	0.9927
220175	05/25/89 - 09/30/90	0.9482	0.9873	230076	01/01/90 - 12/31/90	1.1411	0.9981
230001	07/01/89 - 06/30/90	1.2715	0.9697	230077	07/01/89 - 06/30/90	1.9619	0.9982
230002	07/01/89 - 06/30/90	1.2000	0.9922	230078	10/01/89 - 09/30/90	1.1937	0.9778
230003	10/01/89 - 09/30/90	1.1350	0.9877	230080	10/01/89 - 09/30/90	1.2524	0.9902
230004	07/01/89 - 06/30/90	1.6272	0.9961	230081	07/01/89 - 06/30/90	1.1890	0.9871
230005	07/01/89 - 06/30/90	1.1628	0.9916	230082	07/01/89 - 06/30/90	1.0942	0.9949
230006	04/01/89 - 03/31/90	1.0714	0.9744	230085	07/01/89 - 06/30/90	1.1956	0.9922
230007	01/01/90 - 12/31/90	1.0790	0.9818	230086	07/01/89 - 06/30/90	1.0382	0.9500
230012	01/01/90 - 12/31/90	0.8187	0.9782	230087	01/01/90 - 12/31/90	1.0903	0.9887
230013	01/01/90 - 12/31/90	1.2780	0.9952	230089	09/01/89 - 08/31/90	1.3178	0.9968
230014	04/01/89 - 03/31/90	1.0135	0.9847	230090	01/01/90 - 12/31/90	1.1332	0.9988
230015	01/01/90 - 12/31/90	1.3707	0.9906	230092	07/01/89 - 06/30/90	1.2281	0.9752
230017	01/01/90 - 12/31/90	1.5385	1.0000	230093	07/01/89 - 06/30/90	1.1201	0.9759
230019	07/01/89 - 06/30/90	1.5067	0.9881	230095	04/01/89 - 03/31/90	1.0972	0.9728
230020	01/01/90 - 12/31/90	1.5063	0.9980	230096	10/01/89 - 09/30/90	1.0769	0.9735
230021	10/01/89 - 09/30/90	1.4108	0.9967	230097	07/01/89 - 06/30/90	1.2807	0.9930
230022	01/01/90 - 12/31/90	1.2453	0.9861	230098	10/01/88 - 07/31/90	1.3387	0.9932
230024	07/01/89 - 06/30/90	1.4872	0.9978	230099	07/01/89 - 06/30/90	1.1572	0.9878
230027	07/01/89 - 06/30/90	1.1445	0.9878	230100	07/01/89 - 06/30/90	1.1360	0.9890
230029	07/01/89 - 06/30/90	1.4417	0.9997	230101	10/01/89 - 09/30/90	1.0904	0.9720
230030	07/01/89 - 06/30/90	1.1717	0.9823	230103	01/01/90 - 12/31/90	1.0083	0.9834
230031	07/01/89 - 06/30/90	1.3459	0.9894	230104	01/01/90 - 12/31/90	1.4521	0.9981
230032	07/01/89 - 06/30/90	1.7502	0.9991	230105	01/01/90 - 12/31/90	1.5200	0.9985
230034	04/01/89 - 03/31/90	1.1408	0.9820	230106	07/01/89 - 06/30/90	1.1316	0.9735
230035	07/01/89 - 06/30/90	1.1039	0.9504	230107	01/01/90 - 12/31/90	1.0393	0.9654
230036	07/01/89 - 06/30/90	1.2607	0.9882	230108	07/01/89 - 06/30/90	1.1258	0.9846
230037	07/01/89 - 06/30/90	1.0181	0.9953	230110	10/01/89 - 09/30/90	1.2528	0.9754
230038	07/01/89 - 06/30/90	1.5108	0.9991	230111	07/01/89 - 06/30/90	0.9646	0.9451
230039	07/01/89 - 06/30/90	1.2883	0.9998	230113	07/01/89 - 06/30/90	0.9407	0.9378
230040	10/01/89 - 09/30/90	1.2422	0.9763	230114	01/01/90 - 12/31/90	0.7967	1.0000
230041	07/01/89 - 06/30/90	1.1193	0.9958	230115	01/01/90 - 12/31/90	0.9761	0.9757
230042	01/01/90 - 12/31/90	1.1095	0.9863	230116	04/01/89 - 03/31/90	0.9449	0.9624
230043	10/01/89 - 09/30/90	0.8935	1.0000	230117	07/01/89 - 06/30/90	1.7703	0.9981
230046	07/01/89 - 06/30/90	1.6459	0.9987	230118	10/01/89 - 09/30/90	1.2366	0.9745
230047	07/01/89 - 06/30/90	1.1901	0.9897	230119	10/01/89 - 09/30/90	1.1592	0.9962
230051	01/01/90 - 12/31/90	0.9676	1.0000	230120	07/01/89 - 06/30/90	1.0272	0.9784
230053	01/01/90 - 12/31/90	1.3827	0.9995	230121	01/01/90 - 12/31/90	1.1597	0.9808
230054	07/01/89 - 06/30/90	1.5470	0.9978	230122	10/01/89 - 09/30/90	1.3375	0.9957
230055	01/01/90 - 12/31/90	1.1199	0.9991	230124	04/01/89 - 03/31/90	1.0926	0.9845
230056	10/01/89 - 09/30/90	1.0032	0.9716	230125	10/01/89 - 09/30/90	1.4328	0.9927
230058	07/01/89 - 06/30/90	1.1604	0.9811	230128	01/01/90 - 12/31/90	1.3558	0.9962
230059	07/01/89 - 06/30/90	1.4367	0.9997	230129	01/01/90 - 12/31/90	1.8849	0.9993
230060	07/01/89 - 06/30/90	1.1472	0.9869	230130	01/01/90 - 12/31/90	1.5436	0.9932
230062	07/01/89 - 06/30/90	1.0730	0.9517	230132	07/01/89 - 06/30/90	1.3288	0.9949
230063	01/01/90 - 12/31/90	1.2129	0.9931	230133	07/01/89 - 06/30/90	1.1513	0.9805
230065	01/01/90 - 12/31/90	1.3594	1.0000	230134	01/01/90 - 12/31/90	1.1835	0.9972
230066	04/01/89 - 03/31/90	1.2115	0.9958	230135	01/01/90 - 12/31/90	1.2152	1.0000
230068	07/01/89 - 06/30/90	1.2923	1.0000	230137	10/01/89 - 09/30/90	1.0634	0.9821
230069	01/01/89 - 06/30/90	1.1507	0.9688	230138	01/01/90 - 12/31/90	0.8862	1.0000

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
230140	07/01/89 - 06/30/90	1.1462	0.9995	230223	01/01/90 - 12/31/90	1.2850	0.9925
230141	10/01/89 - 09/30/90	1.4978	0.9976	230224	04/01/89 - 03/31/90	1.2337	0.9939
230142	12/01/89 - 12/31/90	1.2543	0.9928	230227	01/01/90 - 12/31/90	1.3134	0.9968
230143	01/01/90 - 12/31/90	1.2747	0.9851	230228	01/01/90 - 12/31/90	1.2441	0.9973
230144	07/01/89 - 06/30/90	1.2082	0.9929	230230	12/31/90 - 12/31/90	1.2923	0.9990
230145	10/01/89 - 09/30/90	1.1475	0.9742	230232	07/01/89 - 06/30/90	1.0395	0.9302
230146	01/01/90 - 12/31/90	1.1620	0.9920	230235	12/31/90 - 12/31/90	0.9661	0.9755
230147	07/01/89 - 06/30/90	1.2553	1.0000	230236	10/01/89 - 09/30/90	1.3094	0.9979
230149	01/01/90 - 12/31/90	1.0744	0.9981	230237	10/01/89 - 09/30/90	1.0821	1.0000
230150	10/01/89 - 09/30/90	1.6671	0.9979	230239	10/01/89 - 09/30/90	1.1580	0.9756
230151	01/01/90 - 12/31/90	1.3976	0.9894	230241	03/31/90 - 03/31/90	1.1467	0.9861
230153	07/01/89 - 06/30/90	1.0508	0.9636	230244	10/01/89 - 09/30/90	1.2975	0.9889
230154	07/01/89 - 06/30/90	1.0937	0.9579	230253	10/01/89 - 09/30/90	1.1009	0.9464
230155	01/01/90 - 12/31/90	1.0321	0.9594	230254	12/31/90 - 12/31/90	1.2373	0.9918
230156	07/01/89 - 06/30/90	1.5487	0.9994	230257	06/25/89 - 06/23/90	0.9706	0.9927
230157	07/01/89 - 06/30/90	1.3533	0.9919	230259	01/01/90 - 12/31/90	1.0649	0.9846
230159	04/01/89 - 03/31/90	1.2467	0.9933	230264	07/01/89 - 06/30/90	1.1068	1.0000
230165	06/25/89 - 06/23/90	1.6503	0.9991	230266	10/01/89 - 09/30/90	1.3096	1.0000
230167	01/01/90 - 12/31/90	1.2129	0.9917	230269	01/01/90 - 12/31/90	1.2631	0.9973
230169	10/01/89 - 09/30/90	1.2817	0.9921	230270	12/01/89 - 12/31/90	1.2235	0.9975
230171	01/01/90 - 12/31/90	1.0928	0.9768	230273	01/01/90 - 12/31/90	1.4092	0.9997
230172	04/01/89 - 03/31/90	1.1937	0.9841	230276	01/01/90 - 12/31/90	0.9319	1.0000
230173	07/01/89 - 06/30/90	1.4205	0.9915	230277	01/01/90 - 12/31/90	1.1892	0.9930
230174	07/01/89 - 06/30/90	1.2671	0.9995	240001	01/01/90 - 12/31/90	1.5781	0.9987
230175	12/01/89 - 09/30/90	1.0650	0.9662	240002	07/01/89 - 06/30/90	1.6326	0.9942
230176	12/01/89 - 12/31/90	1.1704	0.9997	240003	09/01/89 - 08/31/90	1.2470	0.9868
230178	04/01/89 - 03/31/90	1.0423	0.9570	240004	01/01/90 - 12/31/90	1.4123	0.9780
230179	10/01/89 - 09/30/90	0.7852	0.9957	240005	07/01/89 - 06/30/90	0.9362	0.9064
230180	07/01/89 - 06/30/90	1.1437	0.9993	240006	01/01/90 - 12/31/90	1.1464	0.9519
230184	10/01/89 - 09/30/90	1.1331	0.9989	240007	10/01/89 - 09/30/90	1.0703	0.9533
230186	01/01/90 - 12/31/90	1.0355	0.9858	240008	10/01/89 - 09/30/90	1.1137	0.9719
230188	04/01/89 - 03/31/90	1.0879	0.9568	240009	07/01/89 - 06/30/90	1.0741	0.9430
230189	07/01/89 - 06/30/90	0.9652	0.9751	240010	01/01/90 - 12/31/90	1.8204	0.9939
230190	01/01/90 - 12/31/90	1.0428	0.9835	240011	01/01/89 - 09/30/90	1.0529	0.9814
230191	01/01/90 - 12/31/90	0.9745	0.9398	240013	10/01/89 - 09/30/90	1.1865	0.9832
230193	01/01/90 - 12/31/90	1.2733	0.9995	240014	01/01/90 - 12/31/90	1.1729	0.9967
230194	01/01/90 - 12/31/90	1.1506	0.9730	240016	10/01/89 - 09/30/90	1.3293	0.9737
230195	10/01/89 - 09/30/90	1.3257	0.9914	240017	05/01/89 - 04/30/90	1.1793	0.9759
230197	10/01/89 - 09/30/90	1.2106	0.9973	240018	01/01/90 - 12/31/90	1.2647	0.9763
230199	07/01/89 - 06/30/90	1.2067	0.9858	240019	01/01/90 - 12/31/90	1.4015	1.0000
230201	07/01/89 - 06/30/90	1.0187	0.9849	240020	10/01/89 - 09/30/90	1.1909	0.9794
230204	10/01/89 - 09/30/90	1.2707	0.9942	240021	10/01/89 - 09/30/90	0.9961	0.9648
230205	10/01/89 - 09/30/90	1.0429	0.9728	240022	01/01/90 - 12/31/90	1.0671	0.9681
230207	07/01/89 - 06/30/90	1.2515	0.9986	240023	01/01/90 - 12/31/90	1.0539	0.9697
230208	01/01/90 - 12/31/90	1.1062	0.9792	240025	01/01/90 - 12/31/90	1.1657	0.9781
230211	01/01/90 - 12/31/90	0.9466	0.9612	240027	10/01/89 - 09/30/90	1.0830	0.9702
230212	10/01/89 - 09/30/90	1.0607	0.9793	240028	10/01/89 - 09/30/90	1.0905	0.9812
230213	01/01/90 - 12/31/90	1.0230	0.9713	240029	10/01/89 - 09/30/90	1.1829	0.9780
230216	01/01/90 - 12/31/90	1.2907	0.9876	240030	01/01/90 - 12/31/90	1.3281	0.9860
230217	01/01/90 - 12/31/90	1.1129	0.9909	240031	01/01/90 - 12/31/90	0.9187	0.9595
230219	04/01/89 - 03/31/90	0.9101	0.9498	240036	07/01/89 - 06/30/90	1.4238	0.9926
230221	04/01/89 - 03/31/90	1.2241	0.9914	240037	07/01/89 - 06/30/90	1.0769	1.0000
230222	07/01/89 - 06/30/90	1.2743	0.9963	240038	01/01/90 - 12/31/90	1.4230	0.9982

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
240040	07/01/89 - 06/30/90	1.2037	0.9626	240106	01/01/90 - 12/31/90	1.2868	0.9917
240041	10/01/89 - 09/30/90	1.2060	0.9993	240107	01/01/90 - 12/31/90	0.9927	0.9890
240043	01/01/90 - 12/31/90	1.0960	0.9801	240108	10/01/89 - 09/30/90	0.8898	0.9659
240044	05/01/89 - 04/30/90	1.1436	0.9723	240109	01/01/90 - 12/31/90	1.1712	0.9978
240045	10/01/89 - 09/30/90	1.0617	0.9589	240110	07/01/89 - 06/30/90	1.0926	0.9492
240047	01/01/90 - 12/31/90	1.4060	0.9947	240111	01/01/90 - 12/31/90	1.0613	0.9674
240048	09/01/89 - 08/31/90	1.2858	0.9937	240112	01/01/90 - 12/31/90	1.0643	0.9830
240049	07/01/89 - 06/30/90	1.5895	0.9964	240114	01/01/90 - 12/31/90	1.0356	0.9551
240050	09/01/89 - 08/31/90	0.9986	0.9881	240115	01/01/90 - 12/31/90	1.4649	0.9962
240051	10/01/89 - 09/30/90	0.9137	0.9373	240116	10/01/89 - 09/30/90	0.9734	0.9777
240052	10/01/89 - 09/30/90	1.1858	0.9843	240117	11/01/89 - 10/31/90	1.1079	0.8710
240053	11/01/89 - 10/31/90	1.4077	0.9969	240119	01/01/90 - 12/31/90	0.8897	0.9901
240056	01/01/90 - 12/31/90	1.3201	0.9843	240121	10/01/89 - 09/30/90	0.9425	0.9620
240057	10/01/90 - 12/31/90	1.7589	0.9983	240122	10/01/89 - 09/30/90	1.0874	0.9852
240058	10/01/89 - 09/30/90	1.0078	0.9368	240123	01/01/90 - 12/31/90	1.0625	0.9496
240059	10/01/89 - 09/30/90	1.0970	0.9739	240124	01/01/90 - 12/31/90	1.0679	0.9776
240061	01/01/90 - 12/31/90	1.4646	0.9935	240125	06/01/89 - 05/31/90	1.0208	0.9674
240063	09/01/89 - 08/31/90	1.4119	0.9935	240127	01/01/90 - 12/31/90	1.0769	0.9836
240064	01/01/90 - 12/31/90	1.2206	0.9798	240128	01/01/90 - 12/31/90	1.1966	0.8695
240065	01/01/90 - 12/31/90	1.0245	0.9399	240129	06/01/89 - 05/31/90	0.9034	0.9654
240066	10/01/89 - 09/30/90	1.2983	0.9743	240130	01/01/90 - 12/31/90	1.0216	0.9669
240069	01/01/90 - 12/31/90	1.2073	0.9705	240132	01/01/90 - 12/31/90	1.2794	0.9901
240071	01/01/90 - 12/31/90	1.1377	0.9663	240133	01/01/90 - 12/31/90	1.1285	0.9422
240072	01/01/90 - 12/31/90	0.9651	0.9352	240134	10/01/89 - 09/30/90	0.9965	0.9808
240073	01/01/90 - 12/31/90	1.0310	0.9314	240135	10/01/89 - 09/30/90	0.9099	0.8245
240075	07/01/89 - 06/30/90	1.2210	0.9723	240136	01/01/90 - 12/31/90	0.9345	0.9808
240076	01/01/90 - 12/31/90	1.0547	0.9648	240137	04/01/89 - 03/31/90	1.1613	0.9652
240077	07/01/89 - 06/30/90	1.0167	0.9652	240138	10/01/89 - 09/30/90	0.8661	0.9934
240078	01/01/90 - 12/31/90	1.3706	0.9958	240139	10/01/89 - 09/30/90	1.0262	0.9401
240079	10/01/89 - 09/30/90	1.1387	0.9710	240140	01/01/90 - 12/31/90	0.8523	0.9214
240080	01/01/90 - 12/31/90	1.3570	0.9982	240141	01/01/90 - 12/31/90	1.0242	0.9465
240082	01/01/90 - 12/31/90	1.1798	0.9822	240142	01/01/90 - 12/31/90	1.0671	0.9632
240083	01/01/90 - 12/31/90	1.2569	0.9535	240143	01/01/89 - 09/30/90	1.0385	0.9596
240084	01/01/90 - 12/31/90	1.2132	0.9679	240144	01/01/90 - 12/31/90	0.9695	0.9296
240085	01/01/90 - 12/31/90	0.9049	0.9703	240145	03/01/89 - 02/28/90	0.9492	0.9745
240086	10/01/89 - 09/30/90	1.0696	0.9778	240146	10/01/89 - 09/30/90	0.9301	0.9502
240087	01/01/90 - 12/31/90	1.0941	0.9714	240148	01/01/90 - 12/31/90	1.0247	0.9706
240088	01/01/90 - 12/31/90	1.4094	0.9828	240150	10/01/89 - 09/30/90	0.9639	0.9857
240089	04/01/89 - 03/31/90	1.0221	0.9831	240152	01/01/90 - 12/31/90	0.9351	0.9552
240090	05/01/89 - 04/30/90	1.1183	0.9672	240153	10/01/89 - 09/30/90	1.0355	0.9801
240091	01/01/90 - 12/31/90	0.9849	0.9752	240154	01/01/90 - 12/31/90	1.0105	0.9404
240093	10/01/89 - 09/30/90	1.3448	0.9797	240155	10/01/89 - 09/30/90	1.0238	0.9169
240094	10/01/89 - 09/30/90	1.0455	0.9533	240156	10/01/89 - 09/30/90	1.0795	0.9527
240096	01/01/90 - 12/31/90	1.0329	0.9562	240157	09/01/89 - 08/31/90	1.0626	0.9374
240097	01/01/90 - 12/31/90	1.0510	1.0030	240158	05/01/89 - 04/30/90	1.1086	0.9797
240098	10/01/89 - 09/30/90	0.9801	0.9873	240160	07/01/89 - 06/30/90	0.9391	0.9865
240099	06/01/89 - 05/31/90	1.0784	0.9841	240161	10/01/89 - 09/30/90	0.9355	0.9690
240100	12/01/89 - 11/30/90	1.3232	0.9768	240162	01/01/90 - 12/31/90	1.0590	0.9526
240101	07/01/89 - 06/30/90	1.2568	0.9670	240163	01/01/90 - 12/31/90	1.0103	0.9427
240102	01/01/90 - 12/31/90	0.9693	0.9882	240166	10/01/89 - 09/30/90	1.1071	0.9706
240103	10/01/89 - 09/30/90	1.1322	0.9678	240167	01/01/90 - 12/31/90	0.8639	0.9305
240104	07/01/89 - 06/30/90	1.2323	0.9842	240169	01/01/90 - 12/31/90	0.9521	0.9678
240105	10/01/89 - 09/30/90	0.9245	0.9548	240170	01/01/90 - 12/31/90	1.0659	0.9744

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

Page 26 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
240171	05/01/89 - 04/30/90	1.0490	0.9351	250043	10/01/89 - 09/30/90	0.8622	0.9441
240172	01/01/90 - 12/31/90	1.1567	0.9562	250044	07/01/89 - 06/30/90	1.0873	0.9874
240173	01/01/90 - 12/31/90	1.0448	0.9651	250045	10/01/89 - 09/30/90	1.1571	0.9843
240175	06/01/89 - 05/31/90	0.8173	1.0000	250046	04/01/89 - 03/31/90	1.0526	0.9524
240176	07/01/89 - 06/30/90	1.0367	0.9335	250047	10/01/89 - 09/30/90	0.9189	0.9824
240179	01/01/90 - 12/31/90	1.0198	0.9738	250048	01/01/90 - 12/31/90	1.3011	0.9972
240180	01/01/90 - 12/31/90	0.9497	0.9516	250049	10/01/89 - 09/30/90	0.9495	0.9734
240183	01/01/90 - 12/31/90	1.1512	0.9790	250050	10/01/89 - 09/30/90	1.0635	0.9930
240184	10/01/89 - 09/30/90	1.0399	0.9826	250051	10/01/89 - 09/30/90	0.9097	0.9602
240187	01/01/90 - 12/31/90	1.1784	0.9764	250057	10/01/89 - 09/30/90	1.1240	0.9841
240192	01/01/90 - 12/31/90	0.8858	0.9954	250058	10/01/89 - 09/30/90	1.1008	0.9884
240193	10/01/89 - 09/30/90	0.9395	0.9935	250059	10/01/89 - 09/30/90	1.0164	0.9599
240196	01/01/90 - 12/31/90	1.3351	0.9978	250060	10/01/89 - 09/30/90	0.8024	0.9574
240200	01/01/90 - 12/31/90	0.9626	0.9302	250061	10/01/89 - 09/30/90	0.9520	0.9948
240201	01/01/90 - 12/31/90	0.9877	0.9756	250062	01/01/90 - 12/31/90	1.0460	0.9820
240207	01/01/90 - 12/31/90	1.1837	0.9768	250063	10/01/89 - 09/30/90	0.8478	0.9522
240210	09/01/89 - 08/31/90	1.2622	0.9863	250065	10/01/89 - 09/30/90	0.9600	0.9842
240211	10/01/89 - 09/30/90	0.9945	1.0000	250066	10/01/89 - 09/30/90	0.8825	0.9708
250001	07/01/89 - 06/30/90	1.3551	0.9960	250067	10/01/89 - 09/30/90	1.0037	1.0000
250002	10/01/89 - 09/30/90	0.7980	0.9523	250068	10/01/89 - 09/30/90	0.8541	0.9897
250003	10/01/89 - 09/30/90	0.9043	0.9393	250069	01/01/90 - 12/31/90	1.2027	0.9945
250004	10/01/89 - 09/30/90	1.3641	0.9986	250071	10/01/89 - 09/30/90	0.9291	0.9806
250005	10/01/89 - 09/30/90	0.9745	0.9787	250072	10/01/89 - 09/30/90	1.1309	0.9949
250006	07/01/89 - 06/30/90	1.0607	0.9809	250073	01/01/90 - 12/31/90	0.9943	0.9685
250007	10/01/89 - 09/30/90	1.1206	0.9955	250076	10/01/89 - 09/30/90	0.8620	0.9660
250008	10/01/89 - 09/30/90	0.9465	0.9633	250077	10/01/89 - 09/30/90	0.8801	0.9676
250009	10/01/89 - 09/30/90	1.0990	0.9882	250078	10/01/89 - 09/30/90	1.3641	0.9978
250010	10/01/89 - 09/30/90	1.0612	0.9719	250079	10/01/89 - 09/30/90	0.8196	0.9691
250012	01/01/90 - 12/31/90	0.9585	0.9572	250081	10/01/89 - 09/30/90	1.1697	0.9939
250015	10/01/89 - 09/30/90	1.0619	0.9671	250082	10/01/89 - 09/30/90	1.2034	0.9943
250016	05/01/89 - 04/30/90	0.8532	0.9885	250083	01/01/90 - 12/31/90	0.9255	0.9597
250017	04/01/89 - 03/31/90	0.9959	0.9784	250084	10/01/89 - 09/30/90	1.2027	0.9947
250018	10/01/89 - 09/30/90	1.0300	0.9450	250085	10/01/89 - 09/30/90	0.9801	0.9789
250019	10/01/89 - 09/30/90	1.2192	1.0000	250086	10/01/89 - 09/30/90	0.9517	0.9648
250020	10/01/89 - 09/30/90	1.0168	0.9559	250088	10/01/89 - 09/30/90	1.0273	0.9700
250021	10/01/89 - 09/30/90	0.9789	0.9650	250089	01/01/90 - 12/31/90	0.9723	0.9879
250023	10/01/89 - 09/30/90	0.8291	0.9940	250091	01/01/90 - 12/31/90	0.9429	0.9972
250024	10/01/89 - 09/30/90	1.0230	0.9493	250093	10/01/89 - 09/30/90	1.1729	0.9918
250025	10/01/89 - 09/30/90	1.0226	0.9788	250094	04/01/89 - 03/31/90	1.1851	0.9963
250027	10/01/89 - 09/30/90	0.9636	0.9614	250095	10/01/89 - 09/30/90	1.0982	0.9800
250029	01/01/90 - 12/31/90	0.8583	0.9500	250096	10/01/89 - 09/30/90	1.1104	0.9930
250030	10/01/89 - 12/31/90	0.9183	0.9783	250097	10/01/89 - 09/30/90	1.1774	0.9816
250031	05/01/89 - 04/30/90	1.1675	0.9937	250098	10/01/89 - 09/30/90	0.9030	0.9648
250032	07/01/89 - 06/30/90	1.1307	0.9944	250099	10/01/89 - 09/30/90	1.2584	0.9825
250033	04/01/89 - 03/31/90	0.9797	0.9704	250100	10/01/89 - 09/30/90	1.1468	0.9842
250034	06/01/89 - 06/30/90	1.3689	0.9933	250101	10/01/89 - 09/30/90	0.8820	0.9404
250035	10/01/89 - 09/30/90	0.8629	0.9681	250102	07/01/89 - 06/30/90	1.3771	0.9989
250036	10/01/89 - 09/30/90	0.9769	0.9612	250104	10/01/89 - 09/30/90	1.2859	0.9988
250037	10/01/89 - 09/30/90	0.8994	0.9663	250105	10/01/89 - 09/30/90	0.9246	0.9787
250038	10/01/89 - 09/30/90	0.9098	0.9538	250107	10/01/89 - 09/30/90	0.8843	0.9751
250039	10/01/89 - 09/30/90	0.9994	0.9706	250109	10/01/89 - 09/30/90	1.0031	0.9556
250040	10/01/89 - 09/30/90	1.1752	0.9951	250112	10/01/89 - 09/30/90	0.9419	0.9819
250042	10/01/89 - 09/30/90	1.1793	0.9883	250113	10/01/89 - 10/31/90	0.9534	0.9614

Tab 1e 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments  
to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
	BEGIN	END				BEGIN	END		
250117	01/01/90	12/31/90	1.0781	0.9836	260039	09/01/89	08/31/90	1.3441	1.0000
250119	10/01/89	09/30/90	0.9600	0.9774	260040	10/01/89	09/30/90	1.4407	0.9991
250120	10/01/89	09/30/90	1.0707	0.9932	260042	07/01/89	06/30/90	1.2594	0.9928
250122	09/01/89	08/31/90	1.1705	0.9950	260044	01/01/90	12/31/90	1.0595	0.9815
250123	03/01/89	02/28/90	1.1250	0.9936	260047	07/01/89	06/30/90	1.3008	0.9894
250124	01/01/90	12/31/90	0.8861	0.9759	260048	05/01/89	04/30/90	1.3101	0.9999
250125	01/01/90	12/31/90	1.1561	0.9925	260049	07/01/89	06/30/90	0.9614	0.9609
250126	04/01/89	03/31/90	1.0137	0.9730	260050	01/01/90	12/31/90	1.0714	0.9632
250128	05/01/89	04/30/90	1.0668	0.9467	260051	06/01/89	05/31/90	1.1994	0.9944
250129	09/01/89	08/31/90	1.0882	1.0000	260052	07/01/89	06/30/90	1.1704	0.9865
250131	10/01/89	09/30/90	0.9012	0.9600	260053	10/01/89	09/30/90	1.0986	0.9911
250134	07/01/89	06/30/90	0.9974	1.0000	260054	01/01/90	12/31/90	1.2978	0.9994
250136	01/01/90	12/31/90	0.8601	1.0000	260055	07/01/89	06/30/90	1.1471	0.9811
250137	10/01/89	09/30/90	0.9237	0.9682	260057	10/01/89	09/30/90	1.1903	0.9821
250138	05/01/89	04/30/90	1.1207	0.9924	260059	07/01/89	06/30/90	0.9956	0.9695
250139	10/01/89	09/30/90	0.9003	0.9856	260061	07/01/89	06/30/90	1.0995	0.9795
250140	10/01/89	09/30/90	0.8111	0.9873	260062	10/01/89	09/30/90	1.2434	0.9844
250141	07/01/89	06/30/90	1.3374	0.9872	260063	01/01/90	12/31/90	1.1095	0.9620
260001	07/01/89	06/30/90	1.5126	0.9977	260064	01/01/90	12/31/90	1.4768	0.9828
260002	06/01/89	05/31/90	1.3300	0.9923	260065	07/01/89	06/30/90	1.4770	0.9994
260003	09/01/89	08/31/90	0.9985	0.9708	260066	07/01/89	06/30/90	0.9670	0.9678
260004	01/01/90	12/31/90	1.0101	0.9966	260067	07/01/89	06/30/90	0.9674	0.9861
260005	01/01/90	12/31/90	1.3564	0.9896	260068	01/01/90	12/31/90	1.7266	0.9888
260006	07/01/89	06/30/90	1.2431	0.9923	260070	01/01/90	12/31/90	1.0240	0.9522
260007	04/01/89	03/31/90	1.1924	0.9935	260073	01/01/90	12/31/90	0.9501	0.9813
260008	07/01/89	06/30/90	1.3123	0.9954	260074	01/01/90	12/31/90	1.2057	0.8826
260009	06/01/89	05/31/90	1.2246	0.9816	260077	07/01/89	06/30/90	1.3960	0.9952
260011	01/01/90	12/31/90	1.5238	0.9935	260078	01/01/90	12/31/90	1.1228	0.9841
260012	10/01/89	09/30/90	1.0081	0.9707	260079	07/01/89	06/30/90	1.0333	0.9769
260013	05/01/89	04/30/90	1.0837	0.9996	260080	09/01/89	08/31/90	1.0566	0.9822
260014	01/01/90	12/31/90	1.5675	0.9993	260081	07/01/89	06/30/90	1.4236	0.9972
260015	01/01/90	12/31/90	1.0679	0.9550	260082	04/01/89	03/31/90	1.1587	0.9830
260016	07/01/89	06/30/90	1.1043	1.0000	260085	07/01/89	06/30/90	1.4310	0.9987
260017	01/01/90	12/31/90	1.2558	0.9784	260086	04/01/89	03/31/90	1.0320	0.9777
260018	10/01/89	09/30/90	0.9726	0.9636	260089	05/01/89	04/30/90	1.0654	0.9812
260019	01/01/90	12/31/90	0.9942	0.9691	260090	07/01/89	06/30/90	1.3589	0.9917
260020	07/01/89	06/30/90	1.4904	0.9986	260091	01/01/90	12/31/90	1.5047	0.9983
260021	10/01/89	09/30/90	1.2659	0.9929	260092	01/01/90	12/31/90	1.1683	0.9672
260022	06/01/89	05/31/90	1.3677	0.9983	260094	05/01/89	04/30/90	1.0801	1.0000
260023	10/01/89	09/30/90	1.2127	0.9940	260095	07/01/89	06/30/90	1.3382	0.9977
260024	12/01/89	11/30/90	1.1099	0.9868	260096	07/01/89	06/30/90	1.3534	0.9979
260025	10/01/89	09/30/90	1.2256	0.9883	260097	10/01/89	09/30/90	1.1612	0.9756
260026	09/01/89	08/31/90	1.0017	0.9671	260100	10/01/89	09/30/90	1.1832	0.9794
260027	01/01/90	12/31/90	1.5523	0.9980	260102	01/01/90	12/31/90	1.0346	0.9739
260029	10/01/89	09/30/90	1.0707	0.9815	260103	01/01/90	12/31/90	1.3073	0.9899
260030	10/01/89	09/30/90	1.0873	0.9795	260104	07/01/89	06/30/90	1.5680	0.9991
260031	10/01/89	09/30/90	1.3178	1.0000	260105	07/01/89	06/30/90	1.8053	0.9963
260032	01/01/90	12/31/90	1.5455	0.9987	260107	10/01/89	09/30/90	1.2735	0.9983
260033	05/01/89	04/30/90	1.2304	0.9924	260108	07/01/89	06/30/90	1.6396	0.9994
260034	01/01/90	12/31/90	1.0198	0.9934	260109	04/01/89	03/31/90	0.9803	0.9533
260035	12/01/89	11/30/90	1.0679	0.9864	260110	01/01/90	12/31/90	1.5466	0.9981
260036	01/01/90	12/31/90	1.1025	0.9670	260111	01/01/90	12/31/90	1.0249	0.9857
260037	02/01/89	01/31/90	1.2235	0.9940	260112	05/01/89	04/30/90	1.3870	0.9995

PROVIDER COST REPORTING PERIOD				TRANSFER ADJUSTED CASE MIX INDEX		TRANSFER ADJUSTMENT TO DISCHARGES	
NUMBER	BEGIN	END					
260113	10/01/89	-	09/30/90	1.1925	0.9893	0.9189	0.9376
260115	07/01/89	-	06/30/90	1.1236	0.9550	0.9438	0.9564
260116	01/01/90	-	12/31/80	1.1845	0.9868	0.9743	0.9700
260119	01/01/90	-	12/31/90	1.1884	0.9767	0.9700	0.9700
260120	12/01/89	-	11/30/90	1.1796	0.9843	0.9779	0.9779
260122	11/01/89	-	10/31/90	1.2029	0.9811	0.9898	0.9898
260123	01/01/90	-	12/31/90	1.0037	0.9941	1.5239	0.9891
260127	07/01/89	-	06/30/90	1.0022	0.9546	0.8999	0.9705
260128	07/01/89	-	06/30/90	1.0393	0.9803	0.8999	0.9705
260129	06/01/89	-	05/31/90	1.0345	0.9978	0.9150	0.9845
260131	04/01/89	-	03/31/90	1.2536	0.9748	1.1104	0.9917
260134	01/01/90	-	12/31/90	1.2382	0.9855	1.3157	0.9891
260137	06/01/89	-	05/31/90	1.2229	0.9597	0.9308	0.9755
260138	01/01/90	-	12/31/90	1.6731	0.9990	0.9308	0.9755
260141	07/01/89	-	06/30/90	1.7847	0.9897	1.0178	0.9738
260142	05/01/89	-	04/30/90	1.2554	0.9807	1.0736	0.9738
260143	07/01/89	-	06/30/90	1.3320	0.9632	1.1421	0.9930
260146	07/01/89	-	06/30/90	1.1334	0.9965	0.9756	0.9750
260147	07/01/89	-	06/30/90	0.9839	0.9721	0.9175	0.9803
260148	07/01/89	-	06/30/90	0.9345	0.9511	1.1468	0.9778
260158	01/01/90	-	12/31/90	1.1316	0.9696	0.8907	0.9891
260159	01/01/90	-	12/31/90	1.0326	0.9708	1.0144	0.9891
260160	01/01/90	-	12/31/90	1.1281	0.9910	0.9371	0.9161
260162	01/01/90	-	12/31/90	0.9056	0.9886	1.0065	0.9489
260163	04/01/89	-	03/31/90	1.2209	0.9668	1.0967	0.9748
260164	05/01/89	-	04/30/90	1.0846	0.9851	0.9558	0.9181
260165	01/01/90	-	12/31/90	1.0200	0.9956	0.8654	0.8945
260166	01/01/90	-	12/31/90	1.2281	0.9935	1.1586	0.9775
260172	07/01/89	-	06/30/90	1.0429	0.9705	0.8263	0.9205
260173	07/01/89	-	06/30/90	1.2225	0.9733	0.8208	0.9251
260175	04/01/89	-	03/31/90	1.1040	0.9859	1.1587	0.9618
260176	05/01/89	-	04/30/90	1.2886	0.9924	1.4023	0.9924
260177	07/01/89	-	06/30/90	1.2737	0.9880	1.0016	0.9779
260178	01/01/90	-	12/31/90	1.4380	0.9957	1.2305	0.9930
260179	01/01/90	-	12/31/90	1.4805	0.9992	0.8862	0.8899
260180	01/01/90	-	12/31/90	1.4911	0.9869	0.8862	0.8899
260182	07/01/89	-	06/30/90	1.0528	0.9629	0.6782	0.9680
260183	07/01/89	-	06/30/90	1.3056	0.9935	1.1313	0.9981
260186	05/01/89	-	04/30/90	1.1974	0.9687	1.0551	0.9918
260188	01/01/90	-	12/31/90	1.1642	0.9816	0.8767	0.9870
260189	07/01/89	-	06/30/90	1.0161	0.9726	0.9387	0.9230
260190	01/01/90	-	12/31/90	1.1371	0.9991	0.8894	0.9788
260191	01/01/90	-	12/31/90	1.2266	0.9853	0.9440	1.0000
260193	01/01/90	-	12/31/90	1.1922	0.9997	0.8879	0.8879
260195	09/29/89	-	09/27/90	1.1045	0.9826	0.9184	0.9231
260197	02/01/89	-	01/31/90	1.1849	0.9666	0.8976	0.9298
260198	07/01/89	-	06/30/90	1.4047	0.9821	0.9501	0.9887
260200	01/01/90	-	12/31/90	1.1537	0.9816	0.9501	0.9692
260202	02/14/89	-	09/30/90	1.2599	0.9855	0.9123	0.9510
270002	10/01/89	-	09/30/90	1.1456	0.9813	1.1277	0.9632
270003	06/01/89	-	05/31/90	1.2110	0.9831	0.9879	0.9146
270004	07/01/89	-	06/30/90	1.7139	0.9991	1.0342	0.9376
270005	10/01/89	-	09/30/90	0.9022	1.0000	0.9300	0.9245



Table 3 --- Base Year Adjusted Case Mix Index and Transfer Adjustment  
to Discharges for Hospital-Specific Rate Calculations

Page 29 of 52

TRANSFER ADJUSTED CASE MIX INDEX					TRANSFER ADJUSTMENT TO DISCHARGES					PROVIDER NUMBER					COST REPORTING PERIOD BEGIN - END					TRANSFER ADJUSTED CASE MIX INDEX					TRANSFER ADJUSTMENT TO DISCHARGES				
280001	10/01/89	-	09/30/90	1.1299	0.9627	280058	04/01/89	-	03/31/90	0.9837	0.9590	280001	10/01/89	-	09/30/90	1.1299	0.9627	280058	04/01/89	-	03/31/90	0.9837	0.9590	280001	10/01/89	-	09/30/90	1.1299	0.9627
280003	05/01/89	-	05/31/90	1.7908	0.9981	280070	05/01/89	-	04/30/90	1.0019	0.9288	280003	05/01/89	-	05/31/90	1.7908	0.9981	280070	05/01/89	-	04/30/90	1.0019	0.9288	280003	05/01/89	-	05/31/90	1.7908	0.9981
280004	07/01/89	-	08/01/90	0.9481	0.9897	280073	07/01/89	-	06/30/90	1.0103	0.9507	280004	07/01/89	-	08/01/90	0.9481	0.9897	280073	07/01/89	-	06/30/90	1.0103	0.9507	280004	07/01/89	-	08/01/90	0.9481	0.9897
280005	09/01/89	-	08/31/90	1.3908	0.9915	280074	07/01/89	-	09/30/90	1.1615	0.9692	280005	09/01/89	-	08/31/90	1.3908	0.9915	280074	07/01/89	-	09/30/90	1.1615	0.9692	280005	09/01/89	-	08/31/90	1.3908	0.9915
280009	07/01/89	-	06/30/90	1.4595	0.9957	280075	07/01/89	-	06/30/90	1.2615	0.9873	280009	07/01/89	-	06/30/90	1.4595	0.9957	280075	07/01/89	-	06/30/90	1.2615	0.9873	280009	07/01/89	-	06/30/90	1.4595	0.9957
280011	07/01/89	-	06/30/90	1.0373	0.9750	280076	08/01/89	-	07/31/90	0.9528	0.9590	280011	07/01/89	-	06/30/90	1.0373	0.9750	280076	08/01/89	-	07/31/90	0.9528	0.9590	280011	07/01/89	-	06/30/90	1.0373	0.9750
280012	01/01/90	-	12/31/90	1.1768	0.9946	280077	07/01/89	-	06/30/90	1.2827	0.9805	280012	01/01/90	-	12/31/90	1.1768	0.9946	280077	07/01/89	-	06/30/90	1.2827	0.9805	280012	01/01/90	-	12/31/90	1.1768	0.9946
280013	07/01/89	-	06/30/90	1.6390	0.9902	280078	05/01/89	-	04/30/90	0.9196	0.9202	280013	07/01/89	-	06/30/90	1.6390	0.9902	280078	05/01/89	-	04/30/90	0.9196	0.9202	280013	07/01/89	-	06/30/90	1.6390	0.9902
280014	07/01/89	-	06/30/90	1.1053	0.9889	280079	08/01/89	-	07/31/90	0.9518	0.9669	280014	07/01/89	-	06/30/90	1.1053	0.9889	280079	08/01/89	-	07/31/90	0.9518	0.9669	280014	07/01/89	-	06/30/90	1.1053	0.9889
280015	10/01/89	-	09/30/90	1.0586	0.9667	280080	07/01/89	-	06/30/90	0.9525	0.9688	280015	10/01/89	-	09/30/90	1.0586	0.9667	280080	07/01/89	-	06/30/90	0.9525	0.9688	280015	10/01/89	-	09/30/90	1.0586	0.9667
280017	08/01/89	-	07/31/90	1.0402	0.9712	280081	10/01/89	-	09/30/90	1.3889	0.9990	280017	08/01/89	-	07/31/90	1.0402	0.9712	280081	10/01/89	-	09/30/90	1.3889	0.9990	280017	08/01/89	-	07/31/90	1.0402	0.9712
280018	07/01/89	-	06/30/90	0.9433	0.9643	280082	03/01/89	-	02/28/90	1.1925	0.9532	280018	07/01/89	-	06/30/90	0.9433	0.9643	280082	03/01/89	-	02/28/90	1.1925	0.9532	280018	07/01/89	-	06/30/90	0.9433	0.9643
280020	07/01/89	-	06/30/90	1.4488	0.9891	280083	11/01/89	-	10/31/90	0.9706	0.9786	280020	07/01/89	-	06/30/90	1.4488	0.9891	280083	11/01/89	-	10/31/90	0.9706	0.9786	280020	07/01/89	-	06/30/90	1.4488	0.9891
280021	07/01/89	-	06/30/90	1.1649	0.9642	280084	07/01/89	-	06/30/90	0.9935	0.9485	280021	07/01/89	-	06/30/90	1.1649	0.9642	280084	07/01/89	-	06/30/90	0.9935	0.9485	280021	07/01/89	-	06/30/90	1.1649	0.9642
280022	07/01/89	-	06/30/90	1.0375	0.9353	280085	01/01/90	-	12/31/90	1.3974	0.9746	280022	07/01/89	-	06/30/90	1.0375	0.9353	280085	01/01/90	-	12/31/90	1.3974	0.9746	280022	07/01/89	-	06/30/90	1.0375	0.9353
280023	07/01/89	-	06/30/90	1.3665	0.9898	280088	09/25/89	-	09/23/90	1.6378	0.9975	280023	07/01/89	-	06/30/90	1.3665	0.9898	280088	09/25/89	-	09/23/90	1.6378	0.9975	280023	07/01/89	-	06/30/90	1.3665	0.9898
280024	07/01/89	-	06/30/90	0.8414	0.9652	280089	10/01/89	-	09/30/90	0.9913	0.9824	280024	07/01/89	-	06/30/90	0.8414	0.9652	280089	10/01/89	-	09/30/90	0.9913	0.9824	280024	07/01/89	-	06/30/90	0.8414	0.9652
280025	07/01/89	-	06/30/90	0.9599	0.9644	280090	07/01/89	-	06/30/90	1.0008	1.0000	280025	07/01/89	-	06/30/90	0.9599	0.9644	280090	07/01/89	-	06/30/90	1.0008	1.0000	280025	07/01/89	-	06/30/90	0.9599	0.9644
280026	07/01/89	-	06/30/90	1.0463	0.9765	280091	07/01/89	-	06/30/90	1.0656	0.9914	280026	07/01/89	-	06/30/90	1.0463	0.9765	280091	07/01/89	-	06/30/90	1.0656	0.9914	280026	07/01/89	-	06/30/90	1.0463	0.9765
280028	05/01/89	-	04/30/90	0.8656	0.9810	280092	07/01/89	-	06/30/90	0.9645	0.9875	280028	05/01/89	-	04/30/90	0.8656	0.9810	280092	07/01/89	-	06/30/90	0.9645	0.9875	280028	05/01/89	-	04/30/90	0.8656	0.9810
280029	07/01/89	-	06/30/90	1.0491	0.9811	280094	04/01/89	-	03/31/90	0.9691	0.9860	280029	07/01/89	-	06/30/90	1.0491	0.9811	280094	04/01/89	-	03/31/90	0.9691	0.9860	280029	07/01/89	-	06/30/90	1.0491	0.9811
280030	09/01/89	-	08/31/90	1.6487	0.9993	280097	07/01/89	-	06/30/90	0.9059	0.9420	280030	09/01/89	-	08/31/90	1.6487	0.9993	280097	07/01/89	-	06/30/90	0.9059	0.9420	280030	09/01/89	-	08/31/90	1.6487	0.9993
280031	10/01/89	-	09/30/90	1.1489	0.9643	280098	07/01/89	-	06/30/90	1.0258	0.9934	280031	10/01/89	-	09/30/90	1.1489	0.9643	280098	07/01/89	-	06/30/90	1.0258	0.9934	280031	10/01/89	-	09/30/90	1.1489	0.9643
280032	01/01/90	-	12/31/90	1.1522	0.9902	280101	10/01/89	-	09/30/90	1.0991	0.9723	280032	01/01/90	-	12/31/90	1.1522	0.9902	280101	10/01/89	-	09/30/90	1.0991	0.9723	280032	01/01/90	-	12/31/90	1.1522	0.9902
280033	07/01/89	-	06/30/90	0.9989	0.9782	280102	01/01/90	-	12/31/90	0.8957	0.9366	280033	07/01/89	-	06/30/90	0.9989	0.9782	280102	01/01/90	-	12/31/90	0.8957	0.9366	280033	07/01/89	-	06/30/90	0.9989	0.9782
280034	09/01/89	-	08/31/90	1.2537	0.9922	280104	07/01/89	-	06/30/90	0.9388	0.9198	280034	09/01/89	-	08/31/90	1.2537	0.9922	280104	07/01/89	-	06/30/90	0.9388	0.9198	280034	09/01/89	-	08/31/90	1.2537	0.9922
280035	07/01/89	-	06/30/90	0.9247	0.9623	280105	07/01/89	-	06/30/90	0.9856	0.9820	280035	07/01/89	-	06/30/90	0.9247	0.9623	280105	07/01/89	-	06/30/90	0.9856	0.9820	280035	07/01/89	-	06/30/90	0.9247	0.9623
280037	07/01/89	-	06/30/90	1.1316	0.9932	280106	08/01/89	-	07/31/90	0.9856	0.9688	280037	07/01/89	-	06/30/90	1.1316	0.9932	280106	08/01/89	-	07/31/90	0.9856	0.9688	280037	07/01/89	-	06/30/90	1.1316	0.9932
280038	10/01/89	-	09/30/90	1.0437	0.9654	280107	11/01/89	-	10/31/90	1.0146	0.9647	280038	10/01/89	-	09/30/90	1.0437	0.9654	280107	11/01/89	-	10/31/90	1.0146	0.9647	280038	10/01/89	-	09/30/90	1.0437	0.9654
280039	10/01/89	-	09/30/90	1.0566	0.9669	280108	01/01/90	-	12/31/90	1.0115	0.9832	280039	10/01/89	-	09/30/90	1.0566	0.9669	280108	01/01/90	-	12/31/90	1.0115	0.9832	280039	10/01/89	-	09/30/90	1.0566	0.9669
280040	01/01/90	-	12/31/90	1.4910	0.9970	280109	08/01/89	-	07/31/90	0.8886	0.9724	280040	01/01/90	-	12/31/90	1.4910	0.9970	280109	08/01/89	-	07/31/90	0.8886	0.9724	280040	01/01/90	-	12/31/90	1.4910	0.9970
280041	01/01/90	-	12/31/90	0.9440	0.9805	280110	07/01/89	-	06/30/90	1.0600	0.9792	280041	01/01/90	-	12/31/90	0.9440	0.9805	280110	07/01/89	-	06/30/90	1.0600	0.9792	280041	01/01/90	-	12/31/90	0.9440	0.9805
280042	05/01/89	-	04/30/90	1.0484	0.9715	280111	05/01/89	-	04/30/90	1.2305	0.9812	280042	05/01/89	-	04/30/90	1.0484	0.9715	280111	05/01/89	-	04/30/90	1.2305	0.9812	280042	05/01/89	-	04/30/90	1.0484	0.9715
280043	07/01/89	-	06/30/90	0.9950	0.9742	280114	08/01/89	-	07/31/90	0.9996	0.9771	280043	07/01/89	-	06/30/90	0.9950	0.9742	280114	08/01/89	-	07/31/90	0.9996	0.9771	280043	07/01/89	-	06/30/90	0.9950	0.9742
280045	07/01/89	-	06/30/90	1.0743	0.9723	280115	07/01/89	-	06/30/90	1.0596	0.9628	280045	07/01/89	-	06/30/90	1.0743	0.9723	280115	07/01/89	-	06/30/90	1.0596	0.9628	280045	07/01/89	-	06/30/90	1.0743	0.9723
280046	01/01/90	-	12/31/90	1.0779	0.9710	280117	07/01/89	-	06/30/90	1.0596	0.9628	280046	01/01/90	-	12/31/90	1.0779	0.9710	280117	07/01/89	-	06/30/90	1.0596	0.9628	280046	01/01/90	-	12/31/90	1.0779	0.9710
280047	01/01/90	-	12/31/90	1.1880	0.9721	280118	07/01/89	-	06/30/90	1.0149	0.9820	280047	01/01/90	-	12/31/90	1.1880	0.9721	280118	07/01/89	-	06/30/90	1.0149	0.9820	280047	01/01/90	-	12/31/90	1.1880	0.9721
280048	10/01/89	-	09/30/90	1.0389	0.9895	280122	01/01/89	-	07/10/90	1.0821	1.0000	280048	10/01/89	-	09/30/90	1.0389	0.9895	280122	01/01/89	-	07								

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

Page 30 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
290016	07/01/89 - 06/30/90	0.9738	0.9957	310019	01/01/90 - 12/31/90	1.5583	0.9982
290018	10/01/89 - 09/30/90	1.0709	1.0000	310020	01/01/90 - 12/31/90	1.1896	0.9970
290019	07/01/89 - 06/30/90	1.2645	0.9826	310021	01/01/90 - 12/31/90	1.2391	0.9964
290020	07/01/89 - 06/30/90	1.0371	0.9280	310022	01/01/90 - 12/31/90	1.1852	0.9943
290021	01/01/90 - 12/31/90	1.5064	0.9988	310023	01/01/90 - 12/31/90	1.1975	0.9932
290022	10/01/89 - 09/30/90	1.6247	0.9991	310024	01/01/90 - 12/31/90	1.1594	0.9921
290027	07/01/89 - 06/30/90	1.0763	1.0000	310025	01/01/90 - 12/31/90	1.2529	0.9947
290031	04/01/89 - 03/31/90	1.0201	0.9762	310027	01/01/90 - 12/31/90	1.2398	0.9960
290032	01/01/90 - 12/31/90	1.4590	0.9787	310028	01/01/90 - 12/31/90	1.1634	0.9778
290033	01/01/90 - 12/31/90	1.0357	1.0000	310029	01/01/90 - 12/31/90	1.7329	0.9885
300001	10/01/89 - 09/30/90	1.2751	0.9951	310031	01/01/90 - 12/31/90	1.7329	0.9885
300002	10/01/89 - 09/30/90	1.1114	0.9610	310032	01/01/90 - 12/31/90	2.5594	0.9882
300003	07/01/89 - 06/30/90	1.8480	0.9954	310033	01/01/89 - 01/31/90	1.2394	0.9897
300005	10/01/89 - 09/30/90	1.3781	0.9920	310034	01/01/90 - 12/31/90	1.1763	0.9975
300006	10/01/89 - 09/30/90	1.1334	0.9829	310036	01/01/90 - 12/31/90	1.1534	0.9943
300007	10/01/89 - 09/30/90	1.1598	0.9825	310037	01/01/90 - 12/31/90	1.1946	0.9927
300008	10/01/89 - 09/30/90	1.1919	0.9914	310038	01/01/90 - 12/31/90	1.2357	0.9950
300009	10/01/89 - 09/30/90	1.1638	0.9673	310039	01/01/90 - 12/31/90	1.6286	0.9973
300010	07/01/89 - 06/30/90	1.2522	0.9747	310040	01/01/90 - 12/31/90	1.2475	0.9959
300011	01/01/90 - 12/31/90	1.1943	0.9906	310041	01/01/90 - 12/31/90	1.2085	0.9987
300012	10/01/89 - 09/30/90	1.2721	0.9861	310042	01/01/90 - 12/31/90	1.2423	0.9957
300013	10/01/89 - 09/30/90	1.2096	0.9831	310043	01/01/90 - 12/31/90	1.1418	0.9924
300014	10/01/89 - 09/30/90	1.2711	0.9939	310044	01/01/90 - 12/31/90	1.2508	0.9944
300015	07/01/89 - 06/30/90	1.0160	0.9721	310045	01/01/90 - 12/31/90	1.2447	0.9822
300016	10/01/89 - 09/30/90	1.1505	0.9855	310047	01/01/90 - 12/31/90	1.2547	0.9970
300017	08/01/89 - 07/31/90	1.1642	0.9825	310048	01/01/90 - 12/31/90	1.2547	0.9870
300018	01/01/90 - 12/31/90	1.2662	0.9936	310049	01/01/90 - 12/31/90	1.1909	0.9842
300019	07/01/89 - 06/30/90	1.1730	0.9904	310050	10/01/89 - 09/30/90	1.2383	0.9978
300020	10/01/89 - 09/30/90	1.1674	0.9973	310051	01/01/90 - 12/31/90	1.2110	0.9943
300021	10/01/89 - 09/30/90	1.1108	0.9834	310052	01/01/90 - 12/31/90	1.2506	0.9962
300022	01/01/90 - 12/31/90	1.1188	0.9681	310054	01/01/90 - 12/31/90	1.1720	0.9957
300023	10/01/89 - 09/30/90	1.2206	0.9853	310055	01/01/90 - 12/31/90	1.2305	0.9969
300024	10/01/89 - 09/30/90	1.2593	0.9763	310057	01/01/90 - 12/31/90	1.2335	0.9906
300028	10/01/89 - 09/30/90	1.1324	0.9782	310058	01/01/90 - 12/31/90	1.2256	0.9922
300029	03/01/89 - 02/28/90	1.2707	0.9844	310060	01/01/90 - 12/31/90	1.2150	0.9942
300033	10/01/89 - 09/30/90	1.0359	0.9654	310061	01/01/90 - 12/31/90	1.1821	0.9939
300034	07/01/89 - 06/30/90	1.6549	0.9986	310062	01/01/90 - 12/31/90	1.1383	0.9918
310001	01/01/90 - 12/31/90	1.5517	0.9992	310063	01/01/90 - 12/31/90	1.1083	0.9980
310002	01/01/90 - 12/31/90	1.8909	0.9973	310064	01/01/90 - 12/31/90	1.3219	0.9964
310003	01/01/90 - 12/31/90	1.2048	0.9965	310067	01/01/90 - 12/31/90	1.1810	0.9912
310005	01/01/90 - 12/31/90	1.2487	0.9924	310069	01/01/90 - 12/31/90	1.2002	0.9922
310006	01/01/90 - 12/31/90	1.1624	0.9952	310070	01/01/90 - 12/31/90	1.1063	0.9893
310008	01/01/90 - 12/31/90	1.2752	0.9956	310071	01/01/90 - 12/31/90	1.2485	0.9965
310009	01/01/90 - 12/31/90	1.1560	0.9969	310072	01/01/90 - 12/31/90	0.5457	1.0000
310010	01/01/90 - 12/31/90	1.2054	0.9939	310073	01/01/90 - 12/31/90	1.2045	0.9912
310011	01/01/90 - 12/31/90	1.2114	0.9847	310074	01/01/90 - 12/31/90	1.2846	0.9959
310012	01/01/90 - 12/31/90	1.4436	0.9993	310075	01/01/90 - 12/31/90	1.2859	0.9878
310013	01/01/90 - 12/31/90	1.2682	0.9961	310076	01/01/90 - 12/31/90	1.2281	0.9949
310014	01/01/90 - 12/31/90	1.4950	0.9974	310077	01/01/90 - 12/31/90	1.2568	0.9976
310015	01/01/90 - 12/31/90	1.5078	0.9994	310078	01/01/90 - 12/31/90	1.5700	0.9978
310016	01/01/90 - 12/31/90	1.2162	0.9997	310081	01/01/90 - 12/31/90	1.2304	0.9913
310017	01/01/90 - 12/31/90	1.3520	0.9889	310083	01/01/90 - 12/31/90	1.1538	0.9978
310018	01/01/90 - 12/31/90	1.1348	0.9935	310084	01/01/90 - 12/31/90	1.2865	0.9935

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment  
to Discharges for Hospital-Specific Rate Calculations

Page 31 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
310085	01/01/90 - 12/31/90	1.2052	0.9912	320069	07/01/89 - 06/30/90	1.0843	0.9579
310086	01/01/90 - 12/31/90	1.1690	0.9925	320074	07/01/89 - 06/30/90	1.0489	0.9505
310087	01/01/90 - 12/31/90	1.1733	0.9848	320076	04/01/89 - 03/31/90	1.1195	0.9927
310088	01/01/90 - 12/31/90	1.2269	0.9870	320800	04/01/89 - 03/31/90	1.0657	0.9804
310089	01/01/90 - 12/31/90	1.2232	0.9813	330001	01/01/90 - 12/31/90	1.1423	0.9822
310091	01/01/90 - 12/31/90	1.2016	0.9887	330002	01/01/90 - 12/31/90	1.4271	0.9852
310092	01/01/90 - 12/31/90	1.2986	0.9959	330003	01/01/90 - 12/31/90	1.2748	0.9975
310093	01/01/90 - 12/31/90	1.0727	0.9954	330004	01/01/90 - 12/31/90	1.2738	0.9927
310096	01/01/90 - 12/31/90	1.1738	0.9992	330005	01/01/90 - 12/31/90	1.5815	0.9994
310105	01/01/90 - 12/31/90	1.0627	1.0000	330006	01/01/90 - 12/31/90	1.3668	0.9971
310108	01/01/90 - 12/31/90	1.2524	0.9852	330007	01/01/90 - 12/31/90	1.2490	0.9973
310110	01/01/90 - 12/31/90	1.1743	0.9934	330008	01/01/90 - 12/31/90	1.1506	0.9879
310111	01/01/90 - 12/31/90	1.2312	0.9931	330009	01/01/90 - 12/31/90	1.2157	0.9970
310112	01/01/90 - 12/31/90	1.1820	0.9960	330010	01/01/90 - 12/31/90	1.1816	0.9868
310113	01/01/90 - 12/31/90	1.2335	0.9911	330011	01/01/90 - 12/31/90	1.1799	0.9848
310115	01/01/90 - 12/31/90	1.1592	0.9905	330012	01/01/90 - 12/31/90	1.5717	0.9580
310116	01/01/90 - 12/31/90	1.2365	0.9952	330013	01/01/90 - 12/31/90	1.8026	0.9979
310118	10/01/89 - 09/30/90	1.2031	0.9847	330014	01/01/90 - 12/31/90	1.3311	0.9840
310119	07/01/89 - 06/30/90	1.2527	0.9932	330015	01/01/90 - 12/31/90	1.3778	0.9956
310120	01/01/90 - 12/31/90	1.0725	0.9917	330016	01/01/90 - 12/31/90	1.0433	0.9844
310121	01/01/90 - 12/31/90	1.0171	0.9893	330019	01/01/90 - 12/31/90	1.2763	0.9804
320001	07/01/89 - 06/30/90	1.2281	0.9911	330020	01/01/90 - 12/31/90	1.0460	0.9821
320002	07/01/89 - 06/30/90	1.2281	0.9911	330022	01/01/90 - 12/31/90	1.0185	0.9818
320003	07/01/89 - 06/30/90	1.2374	0.9785	330023	01/01/90 - 12/31/90	1.2181	0.9914
320004	07/01/89 - 06/30/90	1.1539	0.9898	330024	01/01/90 - 12/31/90	1.5243	0.9992
320005	07/01/89 - 06/30/90	1.2661	0.9863	330025	01/01/90 - 12/31/90	1.1408	0.9949
320006	07/01/89 - 06/30/90	1.1733	0.9901	330027	01/01/90 - 12/31/90	1.3929	0.9315
320009	07/01/89 - 06/30/90	1.2557	0.9938	330028	01/01/90 - 12/31/90	1.3002	0.9365
320011	04/01/89 - 03/31/90	1.0037	0.9783	330030	01/01/90 - 12/31/90	1.1312	0.9930
320012	04/01/89 - 03/31/90	1.0687	0.9710	330033	01/01/90 - 12/31/90	1.2366	0.9785
320013	06/01/89 - 05/31/90	1.0312	0.9563	330034	01/01/90 - 12/31/90	1.2612	0.9320
320016	07/01/89 - 06/30/90	1.1222	0.9673	330036	01/01/90 - 12/31/90	1.2882	0.9973
320017	07/01/89 - 06/30/90	1.0719	0.9565	330037	01/01/90 - 12/31/90	1.1035	0.9878
320018	07/01/89 - 06/30/90	1.2298	0.9523	330038	01/01/90 - 12/31/90	1.1060	0.9852
320019	09/01/89 - 08/31/90	1.3855	0.9885	330039	01/01/90 - 12/31/90	0.8813	0.9590
320021	04/01/89 - 03/31/90	1.6058	0.9888	330041	01/01/90 - 12/31/90	1.4471	0.9980
320022	04/01/89 - 03/31/90	1.1939	0.9935	330043	01/01/90 - 12/31/90	1.2762	0.9941
320023	05/01/89 - 04/31/90	1.0710	0.9746	330044	01/01/90 - 12/31/90	1.2326	0.9970
320030	07/01/89 - 06/30/90	1.0743	0.9808	330045	01/01/90 - 12/31/90	1.2475	0.9865
320031	07/01/89 - 06/30/90	0.9072	0.9888	330046	01/01/90 - 12/31/90	1.4832	0.9869
320032	04/01/89 - 03/31/90	0.9377	0.9701	330047	01/01/90 - 12/31/90	1.2733	0.9849
320033	07/01/89 - 06/30/90	1.1073	0.9808	330048	01/01/90 - 12/31/90	1.2334	0.9949
320035	01/01/90 - 12/31/90	1.0831	0.9807	330049	01/01/90 - 12/31/90	1.2786	0.9877
320037	07/01/89 - 06/30/90	1.1517	0.9201	330053	01/01/90 - 12/31/90	1.0741	0.9916
320038	09/01/89 - 08/31/90	1.1373	0.9892	330055	01/01/90 - 12/31/90	1.2975	0.9982
320046	04/01/89 - 03/31/90	1.0029	0.9777	330056	01/01/90 - 12/31/90	1.2842	0.9991
320048	07/01/89 - 06/30/90	1.2510	0.9841	330057	01/01/90 - 12/31/90	1.5683	0.9983
320053	04/01/89 - 04/30/90	1.0439	0.9830	330058	01/01/90 - 12/31/90	1.3477	0.9882
320053	09/01/89 - 08/31/90	1.2007	0.9842	330059	01/01/90 - 12/31/90	1.4625	0.9993
320065	04/01/89 - 03/31/90	1.1491	0.9657	330061	01/01/90 - 12/31/90	1.2914	0.9974
320067	01/01/90 - 12/31/90	0.8956	0.9613	330062	01/01/90 - 12/31/90	1.1348	0.9903
320068	07/01/89 - 06/30/90	0.9355	0.9558	330064	01/01/90 - 12/31/90	1.3274	0.9945

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
	BEGIN	END				BEGIN	END		
330065	01/01/90	12/31/90	1.2143	0.9864	330152	01/01/90	12/31/90	1.3803	0.9971
330066	01/01/90	12/31/90	1.2250	0.9860	330153	01/01/90	12/31/90	1.3508	0.9967
330067	01/01/90	12/31/90	1.2523	0.9881	330154	01/01/90	12/31/90	1.3724	0.9994
330072	01/01/90	12/31/90	1.2791	0.9876	330155	01/01/90	12/31/90	1.1538	0.9883
330073	01/01/90	12/31/90	1.1483	0.9867	330157	01/01/90	12/31/90	1.2722	0.9944
330074	01/01/90	12/31/90	1.2759	0.9923	330158	01/01/90	12/31/90	1.2861	0.9900
330075	01/01/90	12/31/90	1.0928	0.9874	330159	01/01/90	12/31/90	1.3210	0.9965
330078	01/01/90	12/31/90	1.3719	0.9977	330160	01/01/90	12/31/90	1.4013	0.9980
330079	01/01/90	12/31/90	1.1575	0.9894	330161	01/01/90	12/31/90	1.1162	1.0000
330080	07/01/89	06/30/90	1.2753	0.9991	330162	01/01/90	12/31/90	1.2324	0.9965
330082	01/01/90	12/31/90	1.2300	0.9945	330163	01/01/90	12/31/90	1.1812	0.9922
330084	01/01/90	12/31/90	0.9835	0.9864	330164	01/01/90	12/31/90	1.3717	0.9960
330085	01/01/90	12/31/90	1.3484	0.9940	330166	01/01/90	12/31/90	0.9949	0.9795
330086	01/01/90	12/31/90	1.2402	0.9882	330167	01/01/90	12/31/90	1.4548	0.9994
330088	01/01/90	12/31/90	1.1913	0.9795	330168	01/01/90	12/31/90	2.4301	1.0000
330090	01/01/90	12/31/90	1.6489	0.9987	330169	01/01/90	12/31/90	1.2994	0.9882
330091	01/01/90	12/31/90	1.3246	0.9861	330171	01/01/90	12/31/90	1.2911	1.0000
330092	01/01/90	12/31/90	0.9761	0.9862	330174	01/01/90	12/31/90	0.8714	0.9690
330094	01/01/90	12/31/90	1.3131	0.9951	330175	01/01/90	12/31/90	1.0754	0.9832
330095	01/01/90	12/31/90	1.2361	0.9974	330176	01/01/90	12/31/90	0.8744	0.9413
330096	01/01/90	12/31/90	1.1424	0.9884	330177	01/01/90	12/31/90	0.8778	0.9802
330097	01/01/90	12/31/90	1.2199	0.9884	330179	01/01/90	12/31/90	0.9307	0.9841
330100	01/01/90	12/31/90	0.6757	0.9993	330180	01/01/90	12/31/90	1.2393	0.9956
330101	01/01/90	12/31/90	1.6480	0.9983	330181	01/01/90	12/31/90	1.2369	0.9998
330102	01/01/90	12/31/90	1.2432	0.9965	330182	01/01/90	12/31/90	2.1483	0.9988
330103	01/01/90	12/31/90	1.1678	0.9772	330183	01/01/90	12/31/90	1.3956	0.9917
330104	01/01/90	12/31/90	1.3761	0.9960	330184	01/01/90	12/31/90	1.2905	0.9942
330106	01/01/90	12/31/90	1.5497	0.9994	330185	01/01/90	12/31/90	1.1979	0.9911
330107	01/01/90	12/31/90	1.2601	0.9913	330186	01/01/90	12/31/90	0.9711	0.9666
330108	01/01/90	12/31/90	1.2765	0.9979	330188	01/01/90	12/31/90	1.1515	0.9944
330110	01/01/90	12/31/90	1.0746	0.9738	330189	01/01/90	12/31/90	0.7788	1.0000
330111	01/01/90	12/31/90	1.0932	0.9797	330191	01/01/90	12/31/90	1.2462	0.9974
330114	01/01/90	12/31/90	1.0180	0.9801	330193	01/01/90	12/31/90	1.4208	0.9979
330115	01/01/90	12/31/90	1.2343	0.9801	330194	01/01/90	12/31/90	1.6514	0.9994
330116	01/01/90	12/31/90	1.0440	0.9489	330195	01/01/90	12/31/90	1.6780	0.9989
330118	01/01/90	12/31/90	1.5497	0.9887	330196	07/01/89	06/30/90	1.3803	0.9992
330119	01/01/90	12/31/90	1.4320	0.9898	330197	01/01/90	12/31/90	1.0361	0.9876
330121	01/01/90	12/31/90	1.1243	0.9763	330198	01/01/90	12/31/90	1.2972	0.9863
330122	01/01/90	12/31/90	1.2186	0.9849	330199	07/01/89	06/30/90	1.2214	0.9983
330125	01/01/90	12/31/90	1.7047	0.9982	330201	01/01/90	12/31/90	1.1986	1.0000
330126	01/01/90	12/31/90	1.2230	0.9924	330202	07/01/89	06/30/90	1.3791	0.9979
330127	07/01/89	06/30/90	1.2141	0.9775	330203	01/01/90	12/31/90	1.2363	0.9974
330128	07/01/89	06/30/90	1.2431	0.9981	330204	07/01/89	06/30/90	1.1321	0.9838
330132	01/01/90	12/31/90	1.1381	0.9842	330205	01/01/90	12/31/90	1.1715	0.9945
330133	01/01/90	12/31/90	1.2760	0.9868	330208	01/01/90	12/31/90	1.1811	0.9909
330135	01/01/90	12/31/90	1.2760	0.9811	330209	01/01/90	12/31/90	1.1972	0.9913
330136	01/01/90	12/31/90	1.2326	0.9912	330211	01/01/90	12/31/90	1.2078	0.9991
330140	01/01/90	12/31/90	1.6010	0.9985	330212	01/01/90	12/31/90	1.1374	0.9786
330141	01/01/90	12/31/90	1.1211	0.9956	330213	01/01/90	12/31/90	1.6523	0.9997
330142	01/01/90	12/31/90	1.2701	0.9965	330214	01/01/90	12/31/90	1.1920	0.9920
330144	01/01/90	12/31/90	1.0142	0.9867	330215	01/01/90	12/31/90	1.2253	0.9918
330148	01/01/90	12/31/90	1.0109	0.9773	330218	01/01/90	12/31/90	1.4981	0.9978
330151	01/01/89	12/01/90	1.1194	0.9897	330219	01/01/90	12/31/90		

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST BEGIN	REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST BEGIN	REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
330221	01/01/90	12/31/90	1.2920	0.9989	330315	01/01/90	12/31/90	1.1679	0.9937
330222	01/01/90	12/31/90	1.2311	0.9906	330316	01/01/90	12/31/90	1.2812	0.9961
330223	01/01/90	12/31/90	1.1309	0.9979	330327	01/01/90	12/31/90	0.9418	0.9726
330224	01/01/90	12/31/90	1.2861	0.9950	330331	01/01/90	12/31/90	1.2428	0.9951
330225	01/01/90	12/31/90	1.2038	0.9959	330332	01/01/90	12/31/90	1.2676	0.9955
330226	01/01/90	12/31/90	1.2756	0.9915	330333	01/01/90	12/31/90	1.2719	0.9947
330228	01/01/90	12/31/90	1.2169	0.9836	330335	01/01/90	12/31/90	1.0168	1.0000
330230	01/01/90	12/31/90	1.4884	0.9948	330336	01/01/90	12/31/90	1.2698	0.9932
330231	07/01/89	08/30/90	1.1555	0.9985	330338	01/01/90	12/31/90	1.1999	0.9889
330232	01/01/90	12/31/90	1.2245	0.9979	330339	01/01/90	12/31/90	0.9325	1.0000
330233	01/01/90	12/31/90	1.4893	0.9991	330340	01/01/90	12/31/90	1.0976	0.9857
330234	01/01/90	12/31/90	1.8283	0.9984	330350	01/01/90	12/31/90	1.7806	0.9988
330235	01/01/90	12/31/90	1.2238	0.9982	330351	01/01/90	12/31/90	1.0993	0.9717
330236	01/01/90	12/31/90	1.3519	0.9974	330353	01/01/90	12/31/90	1.2320	0.9932
330238	01/01/90	12/31/90	1.1339	0.9885	330354	04/01/89	03/31/90	1.1628	1.0000
330239	01/01/90	12/31/90	1.1485	0.9965	330357	01/01/90	12/31/90	1.3084	0.9904
330240	07/01/89	08/30/90	1.1186	0.9983	330359	01/01/90	12/31/90	0.9524	0.9739
330241	01/01/90	12/31/90	1.6116	0.9973	330372	01/01/90	12/31/90	1.2004	0.9988
330242	01/01/90	12/31/90	1.3454	0.9978	330381	01/01/89	12/31/90	1.2622	0.9910
330244	01/01/90	12/31/90	1.0229	0.9979	330385	07/01/89	06/30/90	1.2031	0.9926
330245	01/01/90	12/31/90	1.2915	0.9856	330386	01/01/90	12/31/90	1.2894	0.9980
330246	01/01/90	12/31/90	1.1332	0.9916	330387	01/01/90	12/31/90	0.8585	1.0000
330247	01/01/90	12/31/90	0.6028	1.0000	330389	01/01/90	12/31/90	1.7574	0.9931
330249	01/01/90	12/31/90	1.2163	0.9930	330390	01/01/80	12/31/90	1.1717	1.0000
330250	01/01/90	12/31/90	1.2387	0.9940	330393	01/01/80	12/31/90	1.5831	0.9884
330252	01/01/90	12/31/90	0.9306	0.9537	330394	01/01/80	12/31/90	1.3758	0.9977
330254	01/01/90	12/31/90	1.0030	0.9823	330395	01/01/80	12/31/90	1.3594	0.9939
330258	01/01/90	12/31/90	1.3315	0.9919	330396	07/01/89	06/30/90	1.1563	0.9972
330259	01/01/90	12/31/90	1.2149	0.9977	330397	01/01/90	12/31/90	1.3938	0.9967
330261	01/01/90	12/31/90	1.2465	0.9957	330398	01/01/80	12/31/90	1.3436	0.9947
330263	01/01/90	12/31/90	1.0809	0.9879	330399	01/01/80	12/31/90	1.3711	0.9984
330264	01/01/90	12/31/90	1.1905	0.9939	330417	01/01/90	12/31/90	0.7889	1.0000
330265	01/01/90	12/31/90	1.2854	0.9963	340001	10/01/89	09/30/90	1.2502	0.9829
330267	01/01/90	12/31/90	1.2295	0.9965	340002	10/01/89	09/30/90	1.7481	0.9972
330268	01/01/90	12/31/90	1.0947	0.9871	340003	10/01/89	09/30/90	1.1481	0.9524
330270	01/01/90	12/31/90	1.9432	0.9994	340004	10/01/89	09/30/90	1.3506	0.9838
330273	01/01/90	12/31/90	1.1834	0.9889	340005	10/01/89	09/30/90	1.2044	0.9879
330275	01/01/90	12/31/90	1.1801	0.9894	340006	10/01/89	09/30/90	1.1727	0.9723
330276	01/01/90	12/31/90	1.2246	0.9888	340007	10/01/89	09/30/90	1.1146	0.9788
330277	01/01/90	12/31/90	1.1184	0.9785	340008	10/01/89	09/30/90	1.2508	0.9783
330278	01/01/90	12/31/90	1.2440	0.9959	340009	10/01/89	09/30/90	1.1688	1.0000
330281	01/01/90	12/31/90	0.6136	0.9907	340010	09/25/89	09/23/90	1.2647	0.9807
330285	01/01/90	12/31/90	1.6927	0.9971	340011	10/01/89	09/30/90	1.0040	0.9712
330286	01/01/90	12/31/90	1.3263	0.9940	340012	10/01/89	09/30/90	1.0478	0.9809
330288	01/01/90	12/31/90	1.0905	0.9807	340013	10/01/89	09/30/90	1.2315	0.9749
330290	01/01/90	12/31/90	1.5327	0.9985	340014	07/01/89	06/30/90	1.5286	0.9991
330293	01/01/90	12/31/90	1.1160	0.9931	340015	10/01/89	09/30/90	1.2758	0.9911
330304	01/01/90	12/31/90	1.2301	0.9947	340016	10/01/89	09/30/90	1.1355	0.9879
330306	01/01/90	12/31/90	1.3873	0.9980	340017	10/01/89	09/30/90	1.2008	0.9883
330307	01/01/90	12/31/90	1.1813	0.9839	340018	10/01/89	09/30/90	1.1435	0.9727
330308	01/01/90	12/31/90	1.2088	0.9977	340019	07/01/89	06/30/90	1.1262	0.9764
330309	01/01/90	12/31/90	1.2625	0.9916	340020	06/01/89	05/31/90	1.2172	0.9707
330314	01/01/90	12/31/90	1.2264	0.9961	340021	10/01/89	09/30/90	1.2291	0.9894

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
340022	10/01/89	09/30/90	1.0785	0.9698	340097	10/01/89	09/30/90	1.0117	0.9583
340023	01/01/90	12/31/90	1.3029	0.9881	340098	10/01/89	09/29/90	1.5048	0.9982
340024	10/01/89	09/30/90	1.2690	0.9845	340099	10/01/89	09/30/90	1.1263	0.9728
340025	10/01/89	09/30/90	1.1261	0.9855	340100	10/01/89	09/30/90	1.2282	0.9875
340027	10/01/89	09/30/90	1.1211	0.9986	340101	01/01/90	12/31/90	0.9784	0.9286
340028	10/01/89	09/30/90	1.3418	0.9928	340104	10/01/89	09/30/90	0.8709	0.9723
340030	07/01/89	06/30/90	1.7185	0.9985	340105	10/01/89	09/30/90	1.3492	0.9978
340031	10/01/89	09/30/90	1.0550	0.9791	340106	10/01/89	09/30/90	1.0794	0.9700
340032	07/01/89	06/30/90	1.3381	0.9895	340107	01/01/90	12/31/90	1.2956	0.9846
340034	10/01/89	09/30/90	1.2664	0.9731	340109	10/01/89	09/30/90	1.3059	0.9833
340035	10/01/89	09/30/90	1.1067	0.9882	340111	10/01/89	09/30/90	1.1769	0.9447
340036	10/01/89	09/30/90	1.0753	0.9571	340112	10/01/89	09/30/90	0.9553	0.9534
340037	10/01/89	09/30/90	1.1433	0.9885	340113	10/01/89	09/30/90	1.9145	0.9885
340038	10/01/89	09/30/90	1.2114	0.9886	340114	10/01/89	09/30/90	1.3725	0.9972
340039	10/01/89	09/30/90	1.2123	0.9725	340115	10/01/89	09/30/90	1.3197	0.9898
340040	10/01/89	09/30/90	1.6914	0.9999	340116	05/01/89	04/30/90	1.6107	0.9903
340041	10/01/89	09/30/90	1.2358	0.9721	340119	10/01/89	09/30/90	1.2242	0.9813
340042	10/01/89	09/30/90	1.2424	0.9794	340120	10/01/89	09/30/90	1.0758	0.9681
340044	10/01/89	09/30/90	1.0186	0.9634	340121	10/01/89	09/30/90	1.0207	0.9710
340045	10/01/89	09/30/90	0.9331	0.9693	340122	10/01/89	09/30/90	1.0131	0.9467
340047	07/01/89	06/30/90	1.7497	0.9977	340123	10/01/89	09/30/90	1.1955	0.9690
340048	10/01/89	09/30/90	0.6489	1.0000	340124	10/01/89	09/30/90	1.0952	0.9511
340050	10/01/89	09/30/90	1.2037	0.9750	340125	10/01/89	09/30/90	1.4817	0.9937
340051	10/01/89	09/30/90	1.2820	0.9764	340126	10/01/89	09/30/90	1.2666	0.9773
340052	10/01/89	09/30/90	0.9674	0.9802	340127	10/01/89	09/30/90	1.2085	0.9710
340053	10/01/89	09/30/90	1.5785	0.9888	340129	10/01/89	09/30/90	1.1170	0.9875
340054	10/01/89	09/30/90	1.1078	0.9775	340130	10/01/89	09/30/90	1.3028	0.9796
340055	10/01/89	09/30/90	1.1877	0.9825	340131	10/01/89	09/30/90	1.3593	0.9856
340056	10/01/89	09/30/90	1.1931	0.9711	340132	10/01/89	09/30/90	1.3429	0.9798
340061	07/01/89	06/30/90	1.5376	0.9982	340133	10/01/89	09/30/90	1.1791	0.9740
340063	10/01/89	09/30/90	1.1178	0.9803	340135	07/01/89	06/30/90	1.0731	0.9306
340064	10/01/89	09/30/90	1.0809	0.9702	340136	07/01/89	06/30/90	1.0273	1.0000
340065	10/01/89	09/30/90	1.1078	0.9766	340137	07/01/89	06/30/90	1.2379	0.9854
340067	10/01/89	09/30/90	1.1174	0.9547	340138	07/01/89	06/30/90	1.2870	0.9897
340068	10/01/89	09/30/90	1.2731	0.9982	340141	10/01/89	09/30/90	1.4611	0.9974
340069	10/01/89	09/30/90	1.7088	0.9982	340142	10/01/89	09/30/90	1.1576	0.9815
340070	10/01/89	09/30/90	1.3006	0.9714	340143	07/01/89	06/30/90	1.3281	0.9896
340071	10/01/89	09/30/90	1.0755	0.9629	340144	03/01/89	02/28/90	1.2224	0.9848
340072	10/01/89	09/30/90	1.0503	0.9790	340145	10/01/89	09/30/90	1.2279	0.9683
340073	07/01/89	06/30/90	1.2678	0.9971	340146	10/01/89	09/30/90	1.0024	0.9853
340075	10/01/89	09/30/90	1.2056	0.9871	340147	10/08/89	10/06/90	1.2623	0.9941
340076	07/01/89	06/30/90	1.0525	0.9758	340148	07/01/89	06/30/90	1.3357	0.9930
340080	10/01/89	09/30/90	1.0876	0.9763	340151	10/01/89	09/30/90	1.1403	0.9862
340084	10/01/89	09/30/90	1.0163	0.9803	340153	03/01/89	02/28/90	1.8371	1.0000
340085	10/01/89	09/30/90	1.2446	0.9898	340154	07/01/89	06/30/90	0.8592	1.0000
340087	10/01/89	09/30/90	1.1451	0.9872	340155	07/01/89	06/30/90	1.4338	0.9964
340088	10/01/89	09/30/90	1.1456	0.9687	340158	07/01/89	06/30/90	1.0953	0.9871
340089	10/01/89	09/30/90	0.9588	0.9620	340159	10/01/89	09/30/90	1.2019	0.9655
340090	10/01/89	09/30/90	1.1295	0.9523	340160	07/01/89	06/30/90	1.0477	0.9806
340091	10/01/89	09/30/90	1.6027	0.9955	340162	01/01/90	12/31/90	1.3300	0.9878
340093	10/01/89	09/30/90	1.0782	0.9727	340164	06/01/89	05/31/90	1.2805	0.9902
340094	10/01/89	09/30/90	1.3874	0.9859	340166	10/01/89	09/30/90	1.3723	1.0000
340096	10/01/89	09/30/90	1.1376	0.9652	340167	09/01/89	08/31/90	0.6020	1.0000

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

Page 35 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
340168	10/01/89 - 09/30/90	0.5473	1.0000	360001	01/01/90 - 12/31/90	1.1930	0.9921
350001	07/01/89 - 06/30/90	1.0639	0.9840	360002	01/01/90 - 12/31/90	1.1472	0.9993
350002	07/01/89 - 06/30/90	1.6226	0.9987	360003	07/01/89 - 06/30/90	1.4085	0.9987
350003	07/01/89 - 06/30/90	1.0886	0.9787	360006	07/01/89 - 06/30/90	1.6037	0.9992
350004	10/01/89 - 09/30/90	1.8650	0.9983	360007	01/01/90 - 12/31/90	1.1086	0.9878
350005	07/01/89 - 06/30/90	1.1497	0.9452	360008	07/01/89 - 06/30/90	1.1880	0.9818
350006	07/01/89 - 06/30/90	1.3014	0.9896	360009	01/01/90 - 12/31/90	1.2567	0.9903
350007	10/01/89 - 09/30/90	0.9744	0.9568	360010	01/01/90 - 12/31/90	1.1990	0.9921
350008	07/01/89 - 06/30/90	0.9383	0.9697	360011	07/01/89 - 06/30/90	1.2774	0.9952
350009	07/01/89 - 06/30/90	1.1780	0.9777	360012	01/01/90 - 12/31/90	1.3008	0.9845
350010	04/01/89 - 03/31/90	1.0460	0.9856	360013	01/01/90 - 12/31/90	1.0428	0.9908
350011	07/01/89 - 06/30/90	1.6745	0.9895	360014	07/01/89 - 06/30/90	1.1566	0.9789
350012	07/01/89 - 06/30/90	0.9927	0.9856	360015	01/01/90 - 12/31/90	1.4235	0.9883
350013	07/01/89 - 06/30/90	0.8927	0.9611	360016	01/01/90 - 12/31/90	1.3804	0.9895
350014	07/01/89 - 06/30/90	1.0109	0.9806	360017	07/01/89 - 06/30/90	1.6185	0.9882
350015	01/01/90 - 12/31/90	1.6228	0.9995	360018	01/01/90 - 12/31/90	1.3202	0.9897
350016	07/01/89 - 06/30/90	1.0648	0.9683	360019	01/01/90 - 12/31/90	1.1684	0.9885
350017	07/01/89 - 06/30/90	1.2542	0.9814	360020	01/01/90 - 12/31/90	1.2264	0.9945
350018	10/01/89 - 09/30/90	0.9797	0.9773	360021	01/01/90 - 12/31/90	1.2271	0.9880
350019	10/01/90 - 12/31/90	1.5359	0.9956	360024	01/01/90 - 12/31/90	1.2184	0.9887
350020	10/01/89 - 09/30/90	1.3055	0.9901	360025	01/01/90 - 12/31/90	1.1663	0.9838
350021	07/01/89 - 06/30/90	1.0263	0.9628	360026	01/01/90 - 12/31/90	1.1221	0.9912
350022	01/01/90 - 12/31/90	0.9495	0.9814	360027	01/01/90 - 12/31/90	1.4610	0.9879
350023	10/01/89 - 09/30/90	0.9579	0.9842	360028	07/01/89 - 06/30/90	1.1888	0.9816
350024	10/01/89 - 09/30/90	1.0262	0.9495	360029	07/01/89 - 06/30/90	1.0783	0.9924
350025	07/01/89 - 06/30/90	1.0026	0.9544	360030	01/01/90 - 12/31/90	1.1824	0.9722
350026	07/01/89 - 06/30/90	0.9238	0.9474	360031	01/01/90 - 12/31/90	1.1929	0.9922
350027	10/01/89 - 09/30/90	0.9238	0.9474	360032	01/01/90 - 12/31/90	1.1181	0.9760
350028	07/01/89 - 06/30/90	1.1200	0.9868	360033	01/01/90 - 12/31/90	1.1032	0.9566
350029	07/01/89 - 06/30/90	1.0098	0.9681	360034	01/01/90 - 12/31/90	1.4064	0.9983
350030	07/01/89 - 06/30/90	1.1160	0.9458	360035	06/01/89 - 05/31/90	1.1559	0.9767
350031	01/01/90 - 12/31/90	0.9391	0.9782	360036	01/01/90 - 12/31/90	1.7608	0.9884
350032	07/01/89 - 06/30/90	0.9603	0.9813	360037	01/01/90 - 12/31/90	1.4247	0.9879
350033	07/01/89 - 06/30/90	0.8837	0.9113	360038	01/01/90 - 12/31/90	1.2042	0.9921
350034	07/01/89 - 06/30/90	0.9149	0.9848	360039	01/01/90 - 12/31/90	1.1916	0.9762
350035	07/01/89 - 06/30/90	0.9363	0.9708	360040	07/01/89 - 06/30/90	1.2133	0.9810
350036	07/01/89 - 06/30/90	0.9460	0.9644	360041	01/01/90 - 12/31/90	1.0892	0.9401
350037	07/01/89 - 06/30/90	1.0042	0.9840	360042	01/01/90 - 12/31/90	1.0600	0.9789
350038	07/01/89 - 06/30/90	0.8919	0.9761	360043	01/01/90 - 12/31/90	1.4040	0.9875
350039	07/01/89 - 06/30/90	1.1844	0.9834	360044	01/01/90 - 12/31/90	1.0638	0.9751
350040	07/01/89 - 06/30/90	0.9029	0.9833	360045	01/01/90 - 12/31/90	1.0525	0.9864
350041	07/01/89 - 06/30/90	1.0251	0.9659	360046	01/01/90 - 12/31/90	1.5810	0.9861
350042	07/01/89 - 06/30/90	1.0822	0.9781	360047	07/01/89 - 06/30/90	1.2585	0.9781
350043	07/01/89 - 06/30/90	0.9250	0.9842	360048	07/01/89 - 06/30/90	1.2444	0.9878
350044	09/30/88 - 12/31/90	1.0025	0.9764	360049	01/01/90 - 12/31/90	1.4283	0.9878
350045	01/01/90 - 12/31/90	1.0121	0.9630	360050	01/01/90 - 12/31/90	1.5020	0.9994
350046	07/01/89 - 06/30/90	0.9320	0.9832	360051	01/01/90 - 12/31/90	1.2524	0.9951
350047	07/01/89 - 06/30/90	0.8464	0.9784	360052	07/01/89 - 06/30/90	1.2721	0.9857
350048	07/01/89 - 06/30/90	0.9856	0.9813	360053	01/01/90 - 12/31/90	1.1901	0.9902
350049	07/01/89 - 06/30/90	0.9156	0.8857	360054	07/01/89 - 06/30/90	1.2780	0.9850
350050	07/01/89 - 06/30/90	1.0497	0.9919	360055	01/01/90 - 12/31/90	0.8261	0.9884
350051	04/01/89 - 03/31/90	1.0005	0.9390	360056	01/01/90 - 12/31/90	1.1272	0.9921
350052	03/01/89 - 02/28/90	0.8667	0.9688	360057	04/01/89 - 03/31/90	1.3848	0.9978
350053	10/01/89 - 09/30/90	0.8506	0.8907	360058	01/01/90 - 12/31/90		



Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

TRANSFER ADJUSTED CASE MIX INDEX					TRANSFER ADJUSTMENT TO DISCHARGES					PROVIDER NUMBER					COST REPORTING PERIOD BEGIN - END					TRANSFER ADJUSTED CASE MIX INDEX					TRANSFER ADJUSTMENT TO DISCHARGES																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
TRANSFER ADJUSTED CASE MIX INDEX					TRANSFER ADJUSTMENT TO DISCHARGES					PROVIDER NUMBER					COST REPORTING PERIOD BEGIN - END					TRANSFER ADJUSTED CASE MIX INDEX					TRANSFER ADJUSTMENT TO DISCHARGES																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
360062	01/01/90	-	12/31/90	1.4573	0.9972	360121	10/01/89	-	09/30/90	1.1162	0.9838	360063	01/01/90	-	12/31/90	1.0642	0.9638	360122	01/01/90	-	12/31/90	1.2827	0.9930	360064	01/01/90	-	12/31/90	1.4187	0.9885	360123	01/01/90	-	12/31/90	1.1521	0.9913	360065	01/01/90	-	12/31/90	1.2335	0.9898	360124	01/01/90	-	12/31/90	1.1383	0.9958	360066	01/01/90	-	12/31/90	1.2297	0.9907	360125	01/01/90	-	12/31/90	1.1010	0.9814	360067	01/01/90	-	12/31/90	1.2724	0.9758	360126	01/01/90	-	12/31/90	1.1991	0.9916	360068	01/01/90	-	12/31/90	1.3813	0.9973	360127	01/01/90	-	12/31/90	0.9971	0.9745	360069	01/01/90	-	12/31/90	1.0150	0.9747	360128	01/01/90	-	12/31/90	1.0522	0.9805	360070	01/01/90	-	12/31/90	1.2871	0.9956	360129	01/01/90	-	12/31/90	1.0414	0.9563	360071	01/01/90	-	12/31/90	1.2216	0.9880	360130	01/01/90	-	12/31/90	1.1248	0.9797	360072	01/01/90	-	12/31/90	1.2307	0.9804	360131	01/01/90	-	12/31/90	1.2754	0.9906	360074	10/01/89	-	09/30/90	1.2832	0.9917	360132	01/01/90	-	12/31/90	1.2132	0.9871	360075	01/01/90	-	12/31/90	1.3945	0.9981	360133	01/01/90	-	12/31/90	1.3712	0.9986	360076	01/01/90	-	12/31/90	1.2382	0.9893	360134	07/01/89	-	06/30/90	1.4718	0.9889	360077	01/01/90	-	12/31/90	1.3745	0.9964	360135	01/01/90	-	12/31/90	1.1575	0.9759	360078	01/01/90	-	12/31/90	1.2336	0.9922	360136	01/01/90	-	12/31/90	1.0332	0.9504	360079	01/01/90	-	12/31/90	1.5579	0.9987	360137	01/01/90	-	12/31/90	1.4883	0.9881	360080	01/01/90	-	12/31/90	1.1982	0.9934	360138	01/01/90	-	12/31/90	1.0839	0.9374	360081	01/01/90	-	12/31/90	1.2671	0.9869	360140	01/01/90	-	12/31/90	1.0713	0.9857	360082	01/01/90	-	12/31/90	1.3243	0.9803	360141	01/01/90	-	12/31/90	1.3408	0.9878	360083	01/01/90	-	12/31/90	1.2180	0.9892	360142	01/01/90	-	12/31/90	1.0173	0.9304	360084	01/01/90	-	12/31/90	1.4218	0.9869	360143	01/01/90	-	12/31/90	1.1920	0.9947	360085	07/01/89	-	06/30/90	1.6251	0.9970	360144	01/01/90	-	12/31/90	1.2820	0.9917	360086	01/01/90	-	12/31/90	1.3186	0.9878	360145	01/01/90	-	12/31/90	1.4927	0.9976	360087	01/01/90	-	12/31/90	1.3087	0.9927	360147	10/01/89	-	09/30/90	1.2226	0.9793	360088	01/01/90	-	12/31/90	1.1693	0.9637	360148	01/01/90	-	12/31/90	1.1277	0.9716	360089	01/01/90	-	12/31/90	1.0812	0.9810	360149	01/01/90	-	12/31/90	1.0826	0.9915	360090	07/01/89	-	06/30/90	1.2098	0.9956	360150	01/01/90	-	12/31/90	1.2607	0.9934	360091	01/01/90	-	12/31/90	1.3499	0.9882	360151	01/01/90	-	12/31/90	1.2488	0.9946	360092	01/01/90	-	12/31/90	1.1381	0.9627	360152	01/01/90	-	12/31/90	1.4418	0.9973	360093	01/01/90	-	12/31/90	1.1393	0.9644	360153	01/01/90	-	12/31/90	1.1921	0.9876	360094	01/01/90	-	12/31/90	1.1924	0.9981	360154	01/01/90	-	12/31/90	1.0059	0.9776	360095	01/01/90	-	12/31/90	1.2662	0.9852	360155	01/01/90	-	12/31/90	1.1746	0.9944	360096	01/01/90	-	12/31/90	1.0976	0.9957	360156	10/01/89	-	09/30/90	1.1320	0.9837	360098	01/01/90	-	12/31/90	1.3105	0.9935	360159	01/01/90	-	12/31/90	1.1731	0.9726	360099	10/01/89	-	09/30/90	1.0786	0.9787	360161	07/01/89	-	06/30/90	1.2825	0.9883	360100	01/01/90	-	12/31/90	1.2616	0.9886	360162	01/01/90	-	12/31/90	1.1883	0.9945	360101	01/01/90	-	12/31/90	1.5292	0.9981	360163	01/01/90	-	12/31/90	1.6251	0.9983	360102	01/01/90	-	12/31/90	1.2089	0.9955	360164	01/01/90	-	12/31/90	0.9946	0.9875	360103	01/01/90	-	12/31/90	1.2898	0.9984	360165	11/01/89	-	10/31/90	1.0583	0.9848	360104	01/01/90	-	12/31/90	0.9110	0.9961	360166	01/01/90	-	12/31/90	1.0849	0.9908	360106	01/01/90	-	12/31/90	1.2052	0.9725	360168	01/01/90	-	12/31/90	1.0426	0.9753	360107	08/01/89	-	08/31/90	1.0615	0.9842	360170	01/01/90	-	12/31/90	1.0874	0.9857	360108	01/01/90	-	12/31/90	1.0371	0.9530	360172	01/01/90	-	12/31/90	1.3023	0.9874	360109	01/01/90	-	12/31/90	1.0326	0.9740	360174	01/01/90	-	12/31/90	1.1348	0.9932	360112	01/01/90	-	12/31/90	1.5210	0.9990	360175	01/01/90	-	12/31/90	1.1635	0.9759	360113	01/01/90	-	12/31/90	1.2424	0.9921	360176	01/01/90	-	12/31/90	1.1355	0.9769	360114	01/01/90	-	12/31/90	1.0757	0.9844	360177	01/01/90	-	12/31/90	1.1913	0.9692	360115	01/01/90	-	12/31/90	1.1984	0.9923	360178	07/01/89	-	06/30/90	1.1895	0.9919	360116	01/01/90	-	12/31/90	1.0418	0.9528	360179	12/31/89	-	12/29/90	1.2787	0.9966	360118	01/01/90	-	12/31/90	1.2268	0.9864	360180	01/01/90	-	12/31/90	1.9502	0.9995	360119	01/01/90	-	12/31/90	1.1225	0.9955	360184	01/01/90	-	12/31/90	0.7668	1.0000	360120	01/01/90	-	12/31/90	0.8991	0.9020	360185	07/01/88	-	06/30/90	1.1964	0.9899

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

Page 37 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
360186	01/01/80 - 12/31/90	1.0879	0.9798	370034	07/01/89 - 06/30/90	1.1671	0.9842
360187	07/01/89 - 06/30/90	1.2889	0.9894	370035	07/01/89 - 06/30/90	1.4087	0.9963
360188	01/01/90 - 12/31/90	0.9841	0.9824	370036	07/01/89 - 06/30/90	1.1370	0.9388
360189	01/01/80 - 12/31/90	1.1181	0.9862	370037	01/01/80 - 12/31/90	1.4951	0.9985
360192	01/01/90 - 12/31/90	1.2143	0.9901	370038	07/01/89 - 06/30/90	0.9539	0.9614
360193	01/01/80 - 12/31/90	1.2162	0.9871	370039	11/01/89 - 10/31/90	1.2335	0.9848
360194	10/01/89 - 09/30/90	1.1031	0.9807	370040	10/01/89 - 09/30/90	1.0770	0.9774
360195	01/01/90 - 12/31/90	1.1400	0.9605	370041	07/01/89 - 06/30/90	0.9809	0.9594
360197	01/01/80 - 12/31/90	1.0804	0.9573	370042	07/01/89 - 06/30/90	0.9570	0.9745
360200	01/01/80 - 12/31/90	1.2055	0.9605	370043	07/01/89 - 06/30/90	0.9947	0.9646
360203	01/01/80 - 12/31/90	1.1347	0.9756	370045	07/01/89 - 06/30/90	1.0812	0.9645
360204	01/01/80 - 12/31/90	1.1906	0.9926	370046	07/01/89 - 06/30/90	1.1325	0.9799
360210	01/01/80 - 12/31/90	1.1701	0.9870	370047	07/01/89 - 06/30/90	1.1886	0.9840
360211	01/01/80 - 12/31/90	1.1156	0.9949	370048	07/01/89 - 06/30/90	1.1096	0.9418
360212	01/01/80 - 12/31/90	1.4288	0.9967	370049	01/01/90 - 12/31/90	1.2692	0.9730
360213	01/01/80 - 12/31/90	1.0808	0.9884	370050	07/01/89 - 06/30/90	0.9955	0.9109
360218	01/01/80 - 12/31/90	1.3066	0.9824	370051	10/01/89 - 09/30/90	1.1134	0.9765
360230	01/01/80 - 12/31/90	1.3058	0.9922	370054	01/01/90 - 12/31/90	1.2897	0.9848
360231	01/01/80 - 12/31/90	1.0493	0.9788	370056	07/01/89 - 06/30/90	1.3313	0.9944
360232	01/01/90 - 12/31/90	1.0797	0.9824	370057	01/01/90 - 12/31/90	1.1158	0.9758
360234	01/01/80 - 12/31/90	1.2258	0.9930	370059	07/01/89 - 06/30/90	1.3841	0.9653
360236	01/01/80 - 12/31/90	1.1679	0.9869	370060	07/01/88 - 05/31/90	0.9805	0.9492
360238	07/01/89 - 06/30/90	0.9813	0.9781	370063	07/01/89 - 06/30/90	1.0024	0.9902
360239	01/01/80 - 12/31/90	1.1948	0.9907	370064	05/01/89 - 04/30/90	0.9371	0.9487
360240	01/01/90 - 12/31/90	0.6459	0.9593	370065	07/01/89 - 06/30/90	1.1450	0.9613
360241	01/01/80 - 12/31/90	0.6752	1.0000	370069	07/01/89 - 06/30/90	1.0058	0.9456
370001	01/01/80 - 12/31/90	1.6788	0.9982	370071	07/01/89 - 06/30/90	0.9408	0.9739
370002	01/01/80 - 12/31/90	1.2397	0.9791	370072	07/01/89 - 06/30/90	0.9571	0.9684
370004	07/01/89 - 06/30/90	1.0646	0.9797	370076	07/01/89 - 06/30/90	1.1466	0.9892
370005	07/01/89 - 06/30/90	0.9440	0.9459	370077	01/01/90 - 12/31/90	1.2842	0.9934
370006	10/01/89 - 09/30/90	1.2376	0.9865	370078	01/01/80 - 12/31/90	1.4422	0.9887
370007	01/01/80 - 12/31/90	1.1283	0.9781	370079	07/01/89 - 06/30/90	0.8489	0.9840
370008	07/01/89 - 06/30/90	1.2194	0.9879	370080	07/01/89 - 06/30/90	0.9508	0.9741
370011	07/01/89 - 06/30/90	0.9441	0.9703	370082	07/01/89 - 06/30/90	0.9643	0.9531
370012	07/01/89 - 06/30/90	0.9277	0.9550	370083	04/01/89 - 03/31/90	0.9928	0.9812
370013	07/01/89 - 06/30/90	1.3300	0.9980	370084	07/01/89 - 06/30/90	0.9218	0.9537
370014	10/01/89 - 09/30/90	1.1915	0.9904	370085	04/01/89 - 03/31/90	0.9447	0.9764
370015	07/01/89 - 06/30/90	1.0854	0.9758	370086	07/01/89 - 06/30/90	1.0812	0.9764
370016	07/01/89 - 06/30/90	1.2682	1.0000	370089	07/01/89 - 06/30/90	1.3016	0.9850
370017	01/01/80 - 12/31/90	1.0034	0.9669	370091	07/01/89 - 06/30/90	1.5023	0.9987
370018	11/01/89 - 10/31/90	1.1985	0.9942	370092	10/01/89 - 09/30/90	1.0643	0.9712
370019	07/01/89 - 06/30/90	1.0497	0.9772	370093	09/01/89 - 08/31/90	1.4916	0.9970
370020	10/01/89 - 09/30/90	1.2662	0.9836	370094	01/01/90 - 12/31/90	1.2402	0.9972
370021	09/01/89 - 08/31/90	0.9052	0.9630	370095	01/01/90 - 12/31/90	0.9499	0.9824
370022	07/01/89 - 06/30/90	1.2171	0.9844	370097	04/01/89 - 03/31/90	1.2967	0.9942
370023	07/01/89 - 06/30/90	1.1911	0.9858	370099	12/01/88 - 06/30/90	1.0311	0.9793
370025	10/01/89 - 09/30/90	1.2487	0.9880	370100	07/01/89 - 06/30/90	1.0513	0.9640
370026	07/01/89 - 06/30/90	1.2929	0.9913	370103	07/01/89 - 06/30/90	0.9716	0.9601
370028	07/01/89 - 06/30/90	1.4940	0.9994	370105	10/01/89 - 09/30/90	1.5597	0.9898
370029	07/01/89 - 06/30/90	1.1963	0.9471	370106	11/01/89 - 10/31/90	1.2927	1.0000
370030	07/01/89 - 06/30/90	1.3315	0.9865	370107	07/01/88 - 01/26/90	0.9743	0.9453
370032	11/01/89 - 10/31/90	1.3155	0.9973	370108	10/01/89 - 09/30/90	0.9452	0.9850
370033	10/01/89 - 09/30/90	1.2015	0.9888	370110	07/01/89 - 06/30/90	0.9552	0.9420

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments  
to Discharges for Hospital-Specific Rate Calculations

Page 38 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
370112	04/01/88 - 03/31/90	0.9587	0.9702	380019	01/01/90 - 12/31/90	1.1939	0.9978
370113	07/01/89 - 06/30/90	1.1059	0.9739	380020	10/01/89 - 09/30/90	1.3664	0.9871
370114	10/01/89 - 09/30/90	1.5081	0.9993	380021	10/01/89 - 09/30/90	1.3068	0.9972
370117	10/01/89 - 09/30/90	1.1312	0.9881	380022	10/01/89 - 09/30/90	1.1958	0.9826
370121	09/01/89 - 08/31/90	1.2878	0.9884	380023	07/01/89 - 06/30/90	1.2847	0.9779
370122	04/01/88 - 03/31/90	0.9572	0.9384	380024	04/01/89 - 03/31/90	1.3273	0.9936
370123	07/01/88 - 06/30/90	1.1236	0.9900	380025	04/01/88 - 03/31/90	1.2875	0.9876
370125	07/01/89 - 06/30/90	0.9885	0.9816	380026	01/01/90 - 12/31/90	1.3876	0.9662
370126	07/01/89 - 06/30/90	1.1893	0.9343	380027	07/01/89 - 06/30/90	1.2633	0.9869
370131	05/01/89 - 04/30/90	0.9911	0.9836	380028	10/01/88 - 09/30/90	1.0807	0.9759
370133	07/01/89 - 06/30/90	1.1257	0.9208	380030	01/01/90 - 12/31/90	0.9286	1.0000
370138	07/01/89 - 06/30/90	1.0609	0.9821	380031	07/01/89 - 06/30/90	0.9727	0.9697
370139	07/01/89 - 06/30/90	0.9556	0.9882	380033	07/01/89 - 06/30/90	1.5891	0.9982
370140	07/01/89 - 06/30/90	0.9970	0.9790	380035	05/01/89 - 04/30/90	1.2858	0.9851
370141	09/01/89 - 08/31/90	1.4086	0.9911	380036	01/01/90 - 12/31/90	1.0688	0.9755
370144	02/01/89 - 01/31/90	1.0749	0.9872	380037	07/01/89 - 06/30/90	1.3051	0.9738
370146	01/01/90 - 12/31/90	0.9386	0.9770	380038	08/01/89 - 07/31/90	1.2408	0.9837
370148	09/01/89 - 08/31/90	1.2988	0.9852	380039	01/01/90 - 12/31/90	1.3824	0.9910
370149	10/01/89 - 09/30/90	1.2002	0.9849	380040	07/01/88 - 06/30/90	1.2380	0.9800
370153	07/01/89 - 06/30/90	1.1027	0.9878	380042	01/01/90 - 12/31/90	1.1544	0.9888
370154	07/01/89 - 06/30/90	0.9758	0.9690	380045	07/01/89 - 06/30/90	1.1255	0.9931
370156	07/01/89 - 06/30/90	1.0728	0.9836	380047	01/01/90 - 12/31/90	1.5470	0.9986
370157	10/01/89 - 09/30/90	0.9787	0.9441	380048	06/25/89 - 06/30/90	0.9951	0.9809
370158	07/01/89 - 06/30/90	1.0611	0.9528	380050	10/01/89 - 09/30/90	1.3329	0.9869
370159	07/01/89 - 06/30/90	1.1209	0.9951	380051	10/01/89 - 09/30/90	1.3688	0.9963
370161	11/01/89 - 10/31/90	1.0784	0.9718	380052	01/01/90 - 12/31/90	1.2011	0.9871
370163	07/01/89 - 06/30/90	0.8952	0.9785	380055	01/01/90 - 12/31/90	1.1728	0.9907
370165	10/01/89 - 09/30/90	1.0749	0.9936	380056	01/01/90 - 12/31/90	1.0154	0.9574
370168	02/01/89 - 01/31/90	1.1053	0.9723	380059	07/01/89 - 06/30/90	0.9048	0.9981
370169	01/01/90 - 12/31/90	0.9885	0.9645	380060	01/01/90 - 12/31/90	1.3215	0.9997
370176	01/01/90 - 12/31/90	1.2815	0.9838	380061	01/01/90 - 12/31/90	1.5526	0.9996
370177	01/01/90 - 12/31/90	0.9215	0.9688	380062	07/01/89 - 06/30/90	0.8975	0.9894
370178	07/01/89 - 06/30/90	1.0185	0.9757	380063	07/01/89 - 06/30/90	1.2570	0.9864
370179	10/01/89 - 09/30/90	0.9768	0.9317	380064	08/01/89 - 07/31/90	1.2849	0.9898
370182	07/01/89 - 07/28/90	1.0150	0.9218	380065	07/01/89 - 06/30/90	1.1064	0.9539
370183	07/01/89 - 06/30/90	1.1318	0.9714	380066	07/01/89 - 06/30/90	1.1207	0.9819
370186	07/01/89 - 06/30/90	0.9493	0.9677	380068	10/01/89 - 09/30/90	1.0922	0.9850
370189	01/01/90 - 12/31/90	0.9803	0.9789	380069	07/01/89 - 06/30/90	1.1167	0.9787
380001	07/01/89 - 06/30/90	1.3511	0.9884	380070	01/01/90 - 12/31/90	1.0500	0.9752
380002	07/01/89 - 06/30/90	1.3279	0.9830	380071	05/01/89 - 04/30/90	1.2370	0.9885
380003	07/01/89 - 06/30/90	1.1858	0.9826	380072	07/01/89 - 06/30/90	0.9172	0.9445
380004	01/01/90 - 12/31/90	1.7319	0.9828	380075	01/01/90 - 12/31/90	1.3813	0.9929
380005	07/01/89 - 06/30/90	1.1469	0.9786	380078	07/01/89 - 06/30/90	1.1878	0.9719
380006	01/01/90 - 12/31/90	1.1943	0.9814	380081	07/01/89 - 06/30/90	1.1227	0.9801
380007	04/01/89 - 03/31/90	1.7249	0.9984	380082	01/01/90 - 12/31/90	1.3059	0.9866
380008	04/01/89 - 03/31/90	1.0518	0.9770	380083	07/01/89 - 06/30/90	1.1049	0.9656
380009	07/01/89 - 06/30/90	1.5741	0.9955	380084	05/01/89 - 04/30/90	1.4873	0.9750
380010	01/01/90 - 12/31/90	1.1411	0.9921	380087	07/01/89 - 06/30/90	1.0988	0.9792
380011	07/01/89 - 06/30/90	1.0902	0.9852	380088	07/01/89 - 06/30/90	0.9558	0.9648
380013	07/01/89 - 06/30/90	1.1559	0.9667	380089	04/01/89 - 03/31/90	1.3293	0.9839
380014	01/01/90 - 12/31/90	1.2722	0.9914	380090	07/01/89 - 06/30/90	1.3363	0.9890
380017	04/01/89 - 03/31/90	1.6824	0.9985	380091	01/01/90 - 12/31/90	1.1855	0.9879
380018	10/01/89 - 09/30/90	1.8519	0.9977	380094	07/01/89 - 06/30/90	1.0869	1.0000

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjusted to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
390001	07/01/89 - 06/30/90	1.2332	0.9900	390058	07/01/89 - 06/30/90	1.2948	0.9807
390002	07/01/89 - 06/30/90	1.2049	0.9952	390059	07/01/89 - 06/30/90	1.3565	0.9972
390003	07/01/89 - 06/30/90	1.1650	1.0000	390060	07/01/90 - 12/31/90	1.1950	0.9870
390004	07/01/89 - 06/30/90	1.2577	0.9875	390061	07/01/89 - 06/30/90	1.2808	0.9930
390005	07/01/89 - 06/30/90	1.1540	0.9752	390062	07/01/89 - 06/30/90	1.1314	0.9844
390006	07/01/89 - 06/30/90	1.6117	0.9995	390063	07/01/89 - 06/30/90	1.5103	0.9979
390007	07/01/89 - 06/30/90	1.1686	0.9822	390064	07/01/89 - 06/30/90	1.3892	0.9863
390008	07/01/89 - 06/30/90	1.1150	0.9868	390065	07/01/89 - 06/30/90	1.2584	0.9812
390009	07/01/89 - 06/30/90	1.3915	0.9988	390066	07/01/89 - 06/30/90	1.2952	0.9825
390010	07/01/89 - 06/30/90	1.1279	0.9814	390067	07/01/89 - 06/30/90	1.4994	0.9878
390011	07/01/89 - 06/30/90	1.1758	0.9808	390068	07/01/89 - 06/30/90	1.2550	0.9815
390012	07/01/89 - 06/30/90	1.2229	0.9881	390069	07/01/89 - 06/30/90	1.2143	0.9882
390013	07/01/89 - 06/30/90	1.2098	0.9781	390070	07/01/89 - 06/30/90	1.2114	0.9809
390014	07/01/89 - 06/30/90	0.6364	1.0000	390071	07/01/89 - 06/30/90	1.1046	0.9837
390015	07/01/89 - 06/30/90	1.1226	0.9524	390072	07/01/89 - 06/30/90	0.9981	0.9756
390016	07/01/89 - 06/30/90	1.1579	0.9883	390073	07/01/89 - 06/30/90	1.3694	0.9836
390017	07/01/89 - 06/30/90	1.0112	0.9856	390074	07/01/89 - 06/30/90	1.1929	0.9897
390018	07/01/89 - 06/30/90	1.1981	0.9889	390075	07/01/89 - 06/30/90	1.3143	0.9950
390019	07/01/89 - 06/30/90	1.0784	0.9707	390076	07/01/89 - 06/30/90	1.2062	0.9898
390021	07/01/89 - 06/30/90	1.0752	0.9856	390077	07/01/89 - 07/31/90	1.2469	0.9933
390022	07/01/89 - 06/30/90	1.2607	0.9864	390078	07/01/89 - 06/30/90	1.0810	0.9766
390023	07/01/89 - 06/30/90	1.1291	0.9852	390079	07/01/89 - 06/30/90	1.6401	0.9852
390024	07/01/89 - 06/30/90	0.7785	0.9897	390080	07/01/89 - 06/30/90	1.1767	0.9897
390025	07/01/89 - 06/30/90	0.8188	1.0000	390081	07/01/89 - 06/30/90	1.2051	0.9885
390026	07/01/89 - 06/30/90	1.3146	0.9899	390082	07/01/89 - 06/30/90	1.1583	0.9848
390027	07/01/89 - 06/30/90	1.6052	0.9977	390083	07/01/89 - 06/30/90	1.1498	0.9815
390028	07/01/89 - 06/30/90	1.6531	0.9894	390084	07/01/89 - 06/30/90	1.1197	0.9837
390029	07/01/89 - 06/30/90	1.5147	0.9885	390085	07/01/89 - 06/30/90	1.3742	0.9855
390030	07/01/89 - 06/30/90	1.1422	0.9883	390086	07/01/89 - 06/30/90	1.6814	0.9889
390031	07/01/89 - 06/30/90	1.1331	0.9767	390087	07/01/89 - 06/30/90	1.1355	0.9937
390032	07/01/89 - 06/30/90	1.2331	0.9878	390088	07/01/89 - 06/30/90	1.1881	0.9743
390033	07/01/89 - 07/06/90	0.7881	0.9851	390089	07/01/89 - 06/30/90	1.0743	0.9811
390035	07/01/89 - 06/30/90	1.2839	0.9859	390090	07/01/89 - 06/30/90	1.1957	0.9910
390036	07/01/89 - 06/30/90	1.2420	0.9900	390091	07/01/89 - 06/30/90	1.2152	0.9922
390037	07/01/89 - 06/30/90	1.2181	0.9828	390092	07/01/89 - 06/30/90	1.3151	0.9866
390038	07/01/89 - 06/30/90	1.0837	0.9844	390093	07/01/89 - 06/30/90	1.6258	0.9885
390040	07/01/89 - 06/30/90	0.9642	0.9751	390094	07/01/89 - 06/30/90	1.6586	0.9883
390041	07/01/89 - 06/30/90	1.1586	0.9775	390095	07/01/89 - 06/30/90	1.2095	0.9952
390042	07/01/89 - 06/30/90	1.1807	0.9852	390101	07/01/89 - 06/30/90	1.2843	0.9930
390043	07/01/89 - 06/30/90	1.1206	0.9703	390102	07/01/89 - 06/30/90	1.0602	0.9950
390044	07/01/89 - 06/30/90	1.4589	0.9980	390103	07/01/89 - 06/30/90	1.2048	0.9934
390045	07/01/89 - 06/30/90	1.2576	0.9882	390104	07/01/89 - 06/30/90	1.0558	0.9851
390046	07/01/89 - 06/30/90	1.3644	0.9887	390105	07/01/89 - 06/30/90	1.1559	0.9889
390047	07/01/89 - 06/30/90	1.4712	0.9874	390106	07/01/89 - 06/30/90	1.3059	0.9958
390048	07/01/89 - 06/30/90	1.1441	0.9837	390107	07/01/89 - 06/30/90	1.2202	0.9764
390049	07/01/89 - 06/30/90	1.4126	0.9975	390108	07/01/89 - 06/30/90	1.2201	0.9829
390050	07/01/89 - 06/30/90	1.8218	0.9982	390109	07/01/89 - 06/30/90	1.7030	0.9964
390051	07/01/89 - 06/30/90	1.9934	0.9979	390110	07/01/89 - 06/30/90	1.1835	0.9700
390052	07/01/89 - 06/30/90	1.1213	0.9738	390111	07/01/89 - 06/30/90	1.2237	0.9885
390053	01/01/90 - 12/31/90	1.1588	0.9779	390112	07/01/89 - 06/30/90	1.0667	0.9952
390054	07/01/89 - 06/30/90	1.5739	0.9993	390113	07/01/89 - 06/30/90	1.2115	0.9863
390055	07/01/89 - 06/30/90	1.1328	0.9731	390114	07/01/89 - 06/30/90	1.2228	0.9916
390056	07/01/89 - 06/30/90	1.2863	0.9932	390115	07/01/89 - 06/30/90	1.0657	0.9687
390057	07/01/89 - 06/30/90	1.2863	0.9932	390116	07/01/89 - 06/30/90	1.0657	0.9687

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD			TRANSFER ADJUSTED CASE MIX INDEX		TRANSFER ADJUSTMENT TO DISCHARGES	
	BEGIN	END	PERIOD	INDEX	ADJUSTMENT	TO DISCHARGES	
390118	07/01/89	06/30/90	-	1.1236	0.9681	0.9945	
390119	07/01/89	06/30/90	-	1.3113	0.9930	0.9755	
390121	07/01/89	06/30/90	-	1.2191	0.9928	0.9615	
390122	07/01/89	06/30/90	-	1.1080	0.9671	0.9716	
390123	07/01/88	06/30/90	-	1.2482	0.9938	0.9667	
390125	07/01/89	06/30/90	-	1.1900	0.9905	0.9736	
390126	07/01/89	06/30/90	-	1.2510	0.9914	0.9885	
390127	07/01/88	06/30/90	-	1.0971	0.9888	0.9782	
390128	07/01/89	06/30/90	-	1.1344	0.9845	0.9706	
390130	07/01/89	06/30/90	-	1.1105	0.9552	0.9835	
390131	07/01/88	06/30/90	-	1.2263	0.9923	0.9668	
390132	07/01/89	06/30/90	-	1.0510	1.0000	0.9747	
390133	07/01/89	06/30/90	-	1.3245	0.9890	0.9895	
390135	07/01/89	06/30/90	-	1.2452	0.9936	1.0000	
390136	07/01/88	06/30/90	-	1.2025	0.9937	0.9895	
390137	07/01/89	06/30/90	-	1.1737	0.9934	0.9898	
390138	07/01/89	06/30/90	-	1.2877	0.9825	0.9600	
390139	07/01/88	06/30/90	-	1.4363	0.9987	0.9732	
390142	07/01/89	06/30/90	-	1.6387	0.9999	0.9863	
390143	07/01/89	06/30/90	-	0.8956	0.9970	1.0000	
390145	07/01/89	06/30/90	-	1.1825	0.9843	0.9924	
390146	07/01/89	06/30/90	-	1.1895	0.9743	0.9906	
390147	07/01/89	06/30/90	-	1.1871	0.9874	0.9933	
390148	07/01/89	06/30/90	-	1.1044	0.9995	0.9741	
390149	07/01/89	06/30/90	-	1.2697	0.9900	0.9837	
390150	07/01/89	06/30/90	-	1.1835	0.9719	0.9765	
390151	07/01/89	06/30/90	-	1.2656	0.9887	0.9934	
390152	07/01/89	06/30/90	-	1.0118	0.9876	0.9826	
390153	07/01/89	06/30/90	-	1.1597	0.9926	0.9700	
390154	07/01/89	06/30/90	-	1.1113	0.9783	0.9801	
390155	07/01/89	06/30/90	-	1.2820	0.9873	0.9933	
390156	07/01/89	06/30/90	-	1.3692	0.9962	0.9965	
390157	07/01/89	06/30/90	-	1.1558	0.9929	0.9857	
390158	07/01/89	06/30/90	-	1.2434	0.9827	0.9838	
390159	07/01/89	06/30/90	-	1.2421	0.9853	0.9986	
390160	07/01/89	06/30/90	-	1.1837	0.9879	0.9939	
390161	07/01/89	06/30/90	-	1.0881	0.9689	0.9979	
390162	07/01/89	06/30/90	-	1.2254	0.9930	0.9944	
390163	07/01/89	06/30/90	-	1.1549	0.9886	0.9732	
390164	07/01/89	06/30/90	-	1.6435	0.9980	0.9870	
390165	07/01/89	06/30/90	-	1.0860	0.9809	0.9920	
390166	07/01/89	06/30/90	-	1.1585	0.9692	0.9968	
390167	07/01/89	06/30/90	-	1.2348	0.9948	0.9898	
390168	07/01/89	06/30/90	-	1.1237	0.9786	0.9893	
390169	01/01/90	12/31/90	-	1.2305	0.9975	1.0000	
390170	07/01/89	06/30/90	-	1.5579	0.9992	0.9922	
390171	07/01/89	06/30/90	-	1.1103	0.9848	0.9610	
390172	07/01/89	06/30/90	-	1.1772	0.9871	0.9911	
390173	07/01/89	06/30/90	-	1.1330	0.9692	0.9795	
390174	07/01/89	06/30/90	-	1.4972	0.9984	1.0000	
390176	07/01/89	06/30/90	-	1.1571	0.9848	0.9645	
390178	07/01/89	06/30/90	-	1.3557	0.9876	0.9518	
390179	07/01/89	06/30/90	-	1.2353	0.9947	0.9998	
390180	07/01/89	06/30/90	-	1.2988	0.9681	0.9945	
390181	07/01/89	06/30/90	-	1.0504	0.9930	0.9755	
390183	07/01/89	06/30/90	-	1.0770	0.9928	0.9615	
390184	07/01/89	06/30/90	-	1.2127	0.9671	0.9716	
390185	07/01/89	06/30/90	-	1.2083	0.9938	0.9667	
390186	07/01/89	06/30/90	-	1.0889	0.9905	0.9736	
390187	07/01/89	06/30/90	-	1.1338	0.9885	0.9885	
390189	07/01/89	06/30/90	-	1.1093	0.9888	0.9782	
390191	07/01/89	06/30/90	-	1.0861	0.9845	0.9706	
390192	07/01/89	06/30/90	-	1.1147	0.9552	0.9835	
390193	07/01/89	06/30/90	-	1.2250	0.9923	0.9668	
390194	07/01/89	06/30/90	-	1.0541	1.0000	0.9747	
390195	07/01/89	06/30/90	-	1.4224	0.9895	0.9895	
390196	07/01/89	06/30/90	-	1.2358	0.9936	1.0000	
390197	07/01/89	06/30/90	-	1.2815	0.9937	0.9895	
390198	07/01/89	06/30/90	-	1.1926	0.9934	0.9898	
390199	07/01/89	06/30/90	-	1.2860	0.9825	0.9600	
390200	07/01/89	06/30/90	-	1.0574	0.9987	0.9732	
390201	07/01/89	06/30/90	-	1.2967	0.9999	0.9863	
390203	07/01/89	06/30/90	-	1.2489	0.9970	1.0000	
390204	07/01/89	06/30/90	-	1.2291	0.9843	0.9924	
390205	07/01/89	06/30/90	-	1.2072	0.9743	0.9906	
390206	07/01/89	06/30/90	-	1.3134	0.9995	0.9741	
390208	07/01/89	06/30/90	-	1.0088	0.9900	0.9837	
390211	07/01/89	06/30/90	-	1.1558	0.9719	0.9765	
390213	07/01/89	06/30/90	-	1.0113	0.9887	0.9934	
390215	07/01/89	06/30/90	-	1.2048	0.9876	0.9826	
390217	07/01/89	06/30/90	-	1.1402	0.9926	0.9700	
390219	07/01/89	06/30/90	-	1.2224	0.9783	0.9801	
390220	07/01/89	06/30/90	-	1.1800	0.9873	0.9933	
390222	07/01/89	06/30/90	-	1.2204	0.9962	0.9965	
390223	07/01/89	06/30/90	-	1.4861	0.9929	0.9857	
390224	10/01/89	06/30/90	-	0.9786	0.9827	0.9838	
390225	07/01/89	06/30/90	-	1.2832	0.9853	0.9986	
390226	07/01/89	06/30/90	-	1.5024	0.9879	0.9939	
390228	07/01/89	06/30/90	-	1.2179	0.9689	0.9979	
390229	07/01/89	06/30/90	-	1.3795	0.9930	0.9944	
390231	07/01/89	06/30/90	-	1.3029	0.9886	0.9732	
390232	07/01/89	06/30/90	-	1.1000	0.9980	0.9870	
390233	07/01/89	06/30/90	-	1.2700	0.9809	0.9920	
390234	07/01/89	07/09/90	-	1.2786	0.9692	0.9968	
390235	07/01/89	06/30/90	-	1.7502	0.9948	0.9898	
390236	07/01/89	06/30/90	-	1.1439	0.9786	0.9893	
390237	01/01/90	12/31/90	-	1.4935	0.9975	1.0000	
390238	07/01/89	06/30/90	-	0.8806	0.9992	0.9922	
390242	07/01/89	06/30/90	-	1.2138	0.9848	0.9610	
390244	07/01/89	06/30/90	-	0.9097	0.9871	0.9911	
390245	07/01/89	06/30/90	-	1.1819	0.9692	0.9795	
390246	07/01/89	06/30/90	-	1.1069	0.9984	1.0000	
390249	04/01/89	03/31/90	-	1.0283	0.9848	0.9645	
390251	07/01/89	06/30/90	-	0.8700	0.9876	0.9518	
390256	07/01/89	06/30/90	-	1.6035	0.9947	0.9998	

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment  
to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	QST BEGIN	REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	QST BEGIN	REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
390258	07/01/89	-	1.1733	0.9925	400103	07/01/89	-	1.4151	0.9972
390260	07/01/89	-	1.2266	0.9872	400104	07/01/89	-	1.2074	0.9954
390261	07/01/89	-	1.7419	0.9839	400105	07/01/89	-	1.2682	0.9869
390262	07/01/89	-	1.6746	0.9807	400106	10/01/89	-	1.0474	0.9887
390263	07/01/89	-	1.4809	0.9869	400107	07/01/89	-	1.3931	0.9998
390265	07/01/89	-	1.2038	0.9884	400110	07/01/89	-	1.2130	0.9844
390266	07/01/89	-	1.1371	0.9723	400111	07/01/89	-	1.1843	0.9990
390267	07/01/89	-	1.2083	0.9887	400112	09/01/89	-	1.2459	0.9917
390268	07/01/89	-	1.1785	0.9827	400113	10/01/89	-	1.1824	0.9988
390270	07/01/89	-	1.2541	0.9892	400114	07/01/89	-	1.0273	0.9988
390275	07/01/89	-	0.5990	1.0000	400115	07/01/89	-	1.0209	0.9987
390277	07/01/89	-	1.2605	0.9888	400116	04/01/88	-	1.1501	0.9851
390278	07/01/89	-	0.7428	1.0000	400117	01/01/80	-	1.1316	0.9956
400001	07/01/89	-	1.1005	1.0000	400118	01/01/80	-	1.1874	0.9956
400002	01/01/90	-	1.2858	0.9999	400120	01/01/90	-	1.3148	0.9894
400003	07/01/89	-	1.1138	0.9885	410001	10/01/89	-	1.2707	0.9853
400004	07/01/89	-	1.1448	0.9887	410002	10/01/89	-	1.1743	0.9957
400005	01/01/90	-	1.0841	1.0000	410004	10/01/89	-	1.3324	0.9963
400006	07/01/89	-	1.1861	0.9881	410005	10/01/89	-	1.2820	0.9963
400007	01/01/90	-	1.0794	0.9891	410006	10/01/89	-	1.2044	0.9918
400008	07/01/90	-	1.1088	0.9891	410007	10/01/89	-	1.4837	0.9989
400009	07/01/89	-	0.9868	0.9893	410008	10/01/89	-	1.1466	0.9874
400010	10/01/89	-	1.0252	0.9848	410009	10/01/89	-	1.2778	0.9953
400011	01/01/90	-	1.0594	1.0000	410010	10/01/89	-	0.9284	0.9987
400012	07/01/89	-	0.9701	1.0000	410011	10/01/89	-	1.1800	0.9958
400013	04/01/89	-	0.9238	0.9911	410012	10/01/89	-	1.5347	0.9988
400014	01/01/90	-	1.3391	0.9897	410013	10/01/89	-	1.1885	0.9878
400015	07/01/89	-	1.1397	0.9894	420002	05/01/89	-	1.3040	0.9831
400016	10/01/89	-	1.2651	0.9896	420004	07/01/89	-	1.7592	0.9882
400017	01/01/90	-	1.0857	0.9893	420005	01/01/90	-	1.0391	0.9806
400018	04/01/89	-	1.1722	0.9886	420006	07/01/89	-	1.3431	0.9791
400019	01/01/90	-	1.1845	0.9896	420007	09/24/89	-	1.4431	0.9891
400021	06/01/89	-	1.2704	0.9891	420009	10/01/89	-	1.2737	0.9678
400022	01/01/90	-	1.2784	0.9894	420010	10/01/89	-	1.0786	0.9588
400024	01/01/90	-	1.0033	1.0000	420011	10/01/89	-	1.0787	0.9786
400026	07/01/89	-	0.9515	0.9875	420014	10/01/89	-	1.1077	0.9806
400027	01/01/90	-	1.0553	0.9897	420015	10/01/89	-	1.1985	0.9944
400028	07/01/89	-	1.0884	1.0000	420016	10/01/89	-	1.1225	0.9953
400029	07/01/89	-	1.0107	0.9884	420018	10/01/89	-	1.5429	0.9976
400031	07/01/89	-	1.0006	0.9822	420019	10/01/89	-	1.1628	0.9856
400032	01/01/90	-	1.1451	0.9878	420020	10/01/89	-	1.1485	0.9777
400037	07/01/89	-	0.8342	0.9854	420022	09/24/89	-	1.0818	0.9729
400038	07/01/89	-	0.9921	0.9200	420023	01/01/80	-	1.2270	0.9971
400044	07/01/89	-	1.1191	0.9856	420026	08/10/89	-	1.7711	0.9977
400046	07/01/89	-	1.1473	0.9946	420027	10/01/89	-	1.2156	0.9922
400061	07/01/89	-	1.7670	0.9966	420028	10/01/89	-	1.0285	0.9405
400079	07/01/89	-	1.1433	0.9847	420029	10/01/89	-	1.8118	0.9454
400087	07/01/88	-	1.1960	1.0000	420030	01/01/90	-	1.1544	0.9689
400088	05/01/89	-	0.8174	0.9858	420031	10/01/89	-	1.0082	0.9383
400089	01/01/90	-	1.0955	0.9859	420032	10/01/88	-	0.8973	0.9554
400094	01/01/90	-	0.9173	1.0000	420033	10/01/89	-	1.1787	0.9775
400098	01/01/90	-	1.2029	0.9994	420035	07/01/89	-	0.8829	0.9752
400102	07/01/89	-	1.1313	1.0000	420036	10/01/89	-	1.2624	0.9783

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
	BEGIN	END				BEGIN	END		
420037	10/01/89	09/30/90	1.2771	0.9858	430015	08/01/89	07/31/90	1.0608	0.9744
420038	10/01/89	09/30/90	1.0875	0.9805	430016	10/01/89	09/30/90	1.6320	0.9972
420039	10/01/89	09/30/90	1.1126	0.9757	430017	01/01/90	12/31/90	1.0749	0.9869
420040	10/01/89	09/30/90	1.2268	0.9994	430018	07/01/89	06/30/90	0.9498	0.9451
420042	10/01/89	09/30/90	1.0953	0.9705	430022	03/01/89	02/28/90	0.9244	0.9688
420043	10/01/89	09/30/90	1.1344	0.9767	430023	09/01/89	08/31/90	0.9202	0.9626
420044	10/01/89	09/30/90	1.2035	0.9939	430024	01/01/90	12/31/90	1.0068	0.9833
420048	10/01/89	09/30/90	1.0548	0.9788	430025	03/01/89	02/28/90	0.9574	0.9897
420049	10/01/89	09/30/90	1.0660	0.9755	430026	01/01/90	12/31/90	0.8774	0.9325
420051	10/01/89	09/30/90	1.4444	0.9971	430027	05/01/89	04/30/90	1.6187	0.9979
420053	07/01/89	06/30/90	1.1332	0.9694	430028	01/01/90	12/31/90	1.0751	0.9827
420054	09/01/89	08/31/90	1.0908	0.9695	430029	09/01/89	08/31/90	0.8899	0.9565
420055	10/01/89	09/30/90	1.0368	0.9894	430031	01/01/90	12/31/90	0.9811	0.9686
420056	10/01/89	09/30/90	1.0872	0.9446	430033	07/01/89	06/30/90	0.9950	0.9698
420057	10/01/89	09/30/90	1.0816	0.9786	430034	01/01/90	12/31/90	1.1178	0.9864
420058	10/01/89	09/30/90	1.0897	0.9458	430036	01/01/90	12/31/90	1.0637	0.9849
420061	10/01/89	09/30/90	1.2604	0.9604	430037	07/01/89	06/30/90	0.9855	0.9777
420062	03/01/89	02/28/90	1.0972	0.9647	430038	01/01/90	12/31/90	1.0403	0.9864
420064	10/01/89	09/30/90	1.1247	0.9666	430039	06/01/89	05/31/90	1.0551	0.9646
420065	10/01/89	09/30/90	1.2437	0.9971	430040	10/01/89	09/30/90	0.9538	0.9656
420066	10/01/89	09/30/90	1.0168	0.9725	430041	01/01/90	12/31/90	0.9487	0.9674
420067	10/01/89	09/30/90	1.1049	0.9884	430042	07/01/89	01/31/90	1.0368	0.9884
420068	10/01/89	09/30/90	1.1638	0.9925	430043	01/01/90	12/31/90	1.2278	0.9791
420069	10/01/89	09/30/90	1.0191	0.9506	430044	01/01/90	12/31/90	0.8808	0.9691
420070	10/01/89	09/30/90	1.2298	0.9841	430047	01/01/90	12/31/90	1.1422	0.9567
420071	10/01/89	09/30/90	1.2706	0.9948	430048	01/01/90	12/31/90	1.0549	0.9684
420072	10/01/89	09/30/90	0.9945	0.9524	430049	01/01/90	12/31/90	0.9453	0.9510
420073	10/01/89	09/30/90	1.3335	0.9921	430051	01/01/90	12/31/90	0.8793	0.9674
420074	10/01/89	09/30/90	0.9068	0.9500	430054	07/01/89	06/30/90	0.9160	0.9652
420075	10/01/89	09/30/90	1.0719	1.0000	430056	01/01/90	12/31/90	0.8330	0.9467
420076	01/01/90	12/31/90	1.1819	1.0000	430057	01/01/90	12/31/90	0.8090	0.9706
420078	10/01/89	09/30/90	1.5242	0.9886	430060	01/01/90	12/31/90	0.8882	0.9515
420079	04/01/89	03/31/90	1.4676	0.9992	430062	06/01/89	05/31/90	0.8706	0.9786
420080	07/01/89	06/30/90	1.1731	0.9835	430064	12/01/89	11/30/90	1.0491	0.9856
420081	10/01/89	09/30/90	0.5618	0.9804	430065	10/01/89	09/30/90	0.9269	0.9858
420082	03/01/89	02/28/90	1.2809	0.9944	430066	07/01/89	06/30/90	0.9328	0.9540
420083	07/01/89	06/30/90	1.1810	0.9952	430073	10/01/89	09/30/90	1.0605	0.9856
420084	07/01/89	06/30/90	0.7482	0.9553	430076	01/01/90	12/31/90	0.9950	0.9448
420085	05/01/89	04/30/90	1.2349	0.9636	430077	07/01/89	06/30/90	1.3770	0.9975
420086	10/01/89	09/30/90	1.2904	0.9953	430079	01/01/90	12/31/90	1.0013	0.9872
420087	10/01/89	09/30/90	1.3612	0.9885	430080	10/01/89	09/30/90	0.8816	0.7130
420088	10/01/89	09/30/90	1.1331	0.9858	430087	01/01/90	12/31/90	1.0038	0.9690
420089	09/01/89	08/31/90	1.2431	0.9924	430088	01/01/90	12/31/90	0.9861	0.9704
430004	03/01/89	02/28/90	1.1085	0.9622	440001	07/01/89	06/30/90	1.0159	0.9829
430005	06/01/89	05/31/90	1.2737	0.9742	440002	07/01/89	06/30/90	1.4126	0.9987
430007	07/01/89	06/30/90	1.1241	0.9531	440003	06/01/89	05/31/90	1.1705	0.9832
430008	01/01/90	12/31/90	1.2320	0.9728	440006	07/01/89	06/30/90	1.3982	0.9973
430009	01/01/90	12/31/90	1.0890	0.9858	440007	07/01/89	06/30/90	1.0116	0.9842
430010	07/01/89	06/30/90	1.1156	0.9773	440008	01/01/90	12/31/90	1.0091	0.9803
430011	07/01/89	06/30/90	1.2308	0.9778	440009	07/01/89	06/30/90	1.0239	0.9740
430012	07/01/89	06/30/90	1.2309	0.9744	440010	07/01/89	06/30/90	0.9549	0.9766
430013	10/01/89	09/30/90	1.1522	0.9787	440011	07/01/89	06/30/90	1.2410	0.9857
430014	10/01/89	09/30/90	1.2384	0.9863	440012	07/01/89	06/30/90	1.2180	0.9884



Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD		TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
	BEGIN	END				BEGIN	END		
440014	07/01/89	06/30/90	0.9824	0.9839	440083	01/01/90	12/31/90	1.2431	0.9820
440015	07/01/89	06/30/90	1.4851	0.9992	440084	07/01/89	06/30/90	1.0725	0.9834
440016	07/01/89	06/30/90	0.9849	0.9845	440087	01/01/90	12/31/90	1.0177	0.9683
440017	07/01/89	06/30/90	1.3836	0.9981	440090	07/01/89	06/30/90	1.0744	0.9693
440018	11/01/89	10/31/90	1.2589	0.9848	440091	09/01/89	08/31/90	1.4090	0.9997
440019	07/01/89	06/30/90	1.4871	0.9970	440095	01/01/90	12/31/90	1.0374	0.9787
440020	08/01/89	08/31/90	1.1699	0.9782	440100	01/01/90	12/31/90	1.1147	0.9524
440022	07/01/89	06/30/90	1.1095	0.9717	440102	07/01/89	06/30/90	1.0349	0.9758
440023	07/01/89	06/30/90	0.9881	0.9790	440103	07/01/89	06/30/90	1.2381	0.9951
440024	07/01/89	06/30/90	1.1110	0.9902	440104	07/01/89	06/30/90	1.4327	0.9888
440025	07/01/89	06/30/90	1.1088	0.9896	440105	10/01/88	07/31/90	0.9707	0.9578
440026	09/01/89	08/31/90	1.1624	0.9863	440108	07/01/89	06/30/90	1.0602	0.9518
440028	07/01/89	06/30/90	1.2141	0.9876	440110	01/01/90	12/31/90	1.0819	0.9676
440030	07/01/89	06/30/90	1.0044	0.9793	440111	07/01/89	06/30/90	1.1344	0.9818
440031	07/01/89	06/30/90	1.0768	0.9767	440114	07/01/89	06/30/90	1.1228	0.9863
440032	07/01/89	06/30/90	0.9889	0.9617	440115	02/01/89	08/30/90	1.0601	0.9803
440033	07/01/89	06/30/90	1.1303	0.9735	440120	01/01/90	12/31/90	1.4517	0.9992
440034	01/01/90	12/31/90	1.3277	0.9887	440121	07/01/89	06/30/90	1.1305	0.9888
440035	07/01/89	06/30/90	1.1725	0.9787	440125	01/01/90	12/31/90	1.3819	0.9990
440038	07/01/89	06/30/90	0.9108	0.9826	440130	07/01/89	06/30/90	1.1328	0.9874
440039	07/01/89	06/30/90	1.5279	0.9831	440131	07/01/89	06/30/90	1.1094	0.9704
440040	07/01/89	06/30/90	0.9342	0.9815	440132	07/01/89	06/30/90	0.9784	0.9990
440041	10/01/89	09/30/90	0.8825	0.9532	440133	07/01/89	06/30/90	1.4886	0.9939
440046	01/01/90	12/31/90	1.0430	0.9850	440135	07/01/89	06/30/90	1.1883	0.9843
440047	09/01/89	08/31/90	0.9572	0.9724	440136	09/01/89	08/31/90	1.2987	0.9749
440048	10/01/89	09/30/90	1.5379	0.9987	440137	07/01/89	06/30/90	1.1220	0.9687
440049	01/01/90	12/31/90	1.6007	0.9894	440141	07/01/89	06/30/90	0.9101	0.9892
440050	01/01/90	12/31/90	1.1287	0.9922	440142	07/01/89	06/30/90	0.9747	0.9891
440051	07/01/89	06/30/90	0.9377	0.9840	440143	08/01/89	05/31/90	0.9882	0.9774
440052	07/01/89	06/30/90	1.0439	0.9514	440144	06/01/89	05/31/90	1.1918	0.9638
440053	07/01/89	06/30/90	1.1536	0.9874	440145	10/31/88	10/05/90	1.0034	0.9911
440054	07/01/89	06/30/90	0.9669	0.9800	440146	01/01/90	12/31/90	1.1724	1.0000
440058	07/01/89	06/30/90	0.9688	0.9791	440147	07/01/89	06/30/90	0.8733	0.9703
440057	07/01/89	06/30/90	0.9883	0.9831	440148	01/01/90	12/31/90	1.0667	0.9808
440058	01/01/90	12/31/90	1.1833	0.9739	440149	11/01/89	10/31/90	1.1413	0.9905
440059	07/01/89	06/30/90	1.0882	0.9753	440150	01/01/90	12/31/90	1.2797	0.9557
440060	07/01/89	06/30/90	1.1387	0.9769	440151	05/01/89	04/30/90	1.1833	0.9951
440061	10/01/89	09/30/90	1.1065	0.9822	440152	07/01/89	06/30/90	0.9515	0.9705
440063	07/01/89	06/30/90	1.2830	0.9972	440153	07/01/89	06/30/90	1.3776	0.9990
440064	01/01/90	12/31/90	0.9746	0.9844	440154	04/01/89	03/31/90	1.0339	0.9790
440065	07/01/89	06/30/90	1.0953	0.9824	440155	04/01/89	03/31/90	1.1537	0.9898
440067	08/01/89	08/31/90	1.1443	0.9792	440157	01/01/90	12/31/90	1.0355	0.9865
440068	10/01/89	09/30/90	1.1499	0.9798	440159	07/01/89	06/30/90	1.5859	0.9980
440069	07/01/89	06/30/90	1.1601	0.9806	440160	07/01/89	06/30/90	1.1227	0.9765
440070	07/01/89	06/30/90	0.9283	0.9564	440161	01/01/90	12/31/90	1.2201	0.9984
440071	01/01/90	12/31/90	1.3083	0.9877	440162	10/15/88	01/31/90	1.0305	0.9575
440072	01/01/90	12/31/90	1.3082	0.9720	440168	07/01/89	06/30/90	1.2536	0.9840
440073	07/01/89	06/30/90	1.2872	0.9867	440169	01/01/90	12/31/90	1.3872	0.9928
440074	07/01/89	06/30/90	0.9395	0.9657	440170	06/01/89	05/31/90	0.9006	0.9348
440078	10/01/89	09/30/90	0.9734	0.9713	440173	10/01/88	08/23/90	1.0487	0.8997
440079	01/01/90	12/31/90	0.8612	0.9874	440174	01/01/90	12/31/90	1.1715	0.9949
440081	01/01/90	12/31/90	1.1259	0.9707	440175	03/01/89	02/28/90		
440082	07/01/89	06/30/90	1.7484	0.9988	440176	03/01/89	02/28/90		

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

Page 44 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
440177	01/01/80	12/31/80	0.8722	0.9550	450051	07/01/89	06/30/90	1.5950	0.9989
440178	09/01/89	08/31/90	1.2014	0.9839	450052	07/01/89	06/30/90	1.0592	0.9770
440180	07/01/89	06/30/90	1.0811	0.8717	450053	01/01/90	12/31/90	1.1832	0.9388
440181	01/01/90	12/31/90	0.9533	0.9425	450054	09/01/88	08/31/90	1.5149	0.9883
440182	01/01/90	12/31/90	0.9584	0.9768	450055	10/01/89	09/30/90	1.1079	0.9640
440183	03/01/89	02/28/90	1.3528	0.9974	450056	07/01/89	06/30/90	1.4772	0.9991
440184	01/01/90	12/31/90	1.1023	0.9856	450057	08/01/88	07/03/90	1.1487	0.9939
440185	09/01/89	08/31/90	1.1227	0.9927	450058	09/01/89	08/31/90	1.4498	0.9985
440186	11/01/89	10/31/90	1.0861	0.9641	450059	01/01/90	12/31/90	1.2646	0.9702
440187	08/01/89	05/31/90	1.0074	0.9748	450060	07/01/88	06/30/90	1.2389	0.9939
440189	08/01/89	07/31/90	1.4271	0.9910	450063	10/01/89	09/30/90	0.9338	0.9495
440192	05/01/89	04/30/90	0.9857	0.9689	450064	06/01/89	05/31/90	1.4472	0.9999
440193	06/01/89	05/31/90	1.1288	0.9810	450065	10/01/89	09/30/90	1.0852	0.9523
440194	09/01/89	08/31/90	1.2027	0.9738	450068	10/01/89	09/30/90	1.5337	0.9979
440195	01/01/90	12/31/90	1.0509	0.9682	450070	07/01/89	06/30/90	1.1593	0.9981
440197	06/01/89	05/31/90	1.2578	0.9892	450072	01/01/90	12/31/90	1.2223	0.9729
440200	12/01/89	11/30/90	1.0769	0.9615	450073	01/01/90	12/31/90	1.1032	0.9704
440203	01/01/90	12/31/90	1.0377	0.9892	450074	06/01/89	05/31/90	1.1476	0.9864
440205	01/01/90	12/31/90	0.9885	0.9644	450076	09/01/89	08/31/90	1.1526	0.9899
450002	01/01/90	12/31/90	1.3200	0.9880	450077	10/01/89	09/30/90	0.9188	0.9612
450004	07/01/89	06/30/90	1.0784	0.9787	450078	04/01/89	03/31/90	1.0332	0.9707
450005	09/01/89	08/31/90	1.0228	0.9749	450079	07/01/89	06/30/90	1.4352	0.9883
450007	07/01/89	06/30/90	1.2886	0.9781	450080	10/01/89	09/30/90	1.2362	0.9777
450008	04/01/89	03/31/90	1.2268	0.9958	450081	01/01/90	12/31/90	1.1394	0.9895
450010	10/01/89	09/30/90	1.2240	0.9970	450082	10/01/89	09/30/90	1.0072	0.9599
450011	01/01/90	12/31/90	1.5628	0.9972	450083	11/01/89	10/31/90	1.4632	0.9898
450014	01/01/90	12/31/90	1.1053	0.9890	450085	10/01/89	09/30/90	1.0465	0.9707
450016	10/01/89	09/30/90	1.3682	1.0000	450087	03/01/89	02/31/90	1.2787	0.9808
450018	09/01/89	08/31/90	1.6840	0.9885	450089	07/01/89	06/30/90	1.1398	0.9785
450020	01/01/90	12/31/90	1.1135	0.9698	450092	07/01/89	06/30/90	1.2108	0.9786
450021	07/01/89	06/30/90	1.6212	0.9988	450094	01/01/90	12/31/90	1.3078	0.9884
450023	07/01/89	06/30/90	1.4315	0.9978	450096	07/01/89	06/30/90	1.4143	0.9869
450024	10/01/89	09/30/90	1.2592	0.9858	450097	01/01/90	12/31/90	1.3513	0.9897
450025	01/01/90	12/31/90	1.4293	0.9971	450098	05/01/89	04/30/90	1.1595	0.9732
450027	05/01/89	04/30/90	1.1385	0.9936	450101	09/01/89	08/31/90	1.3446	0.9998
450028	01/01/90	12/31/90	1.3759	0.9830	450102	07/01/89	06/30/90	1.5314	0.9971
450029	07/01/89	06/30/90	1.1548	0.9851	450104	01/01/90	12/31/90	1.3016	0.9804
450031	04/01/89	03/31/90	1.1682	0.9842	450107	01/01/90	12/31/90	1.3826	0.9997
450032	10/01/89	09/30/90	1.1311	0.9838	450108	10/01/89	09/30/90	0.9937	0.9733
450033	08/01/89	07/31/90	1.5699	0.9888	450109	07/01/89	06/30/90	0.9488	0.9702
450034	07/01/89	06/30/90	1.5149	0.9843	450110	10/01/89	09/30/90	1.2122	0.9868
450035	07/01/89	06/30/90	1.4369	0.9994	450111	09/01/89	08/31/90	1.2147	0.9951
450037	10/01/89	09/30/90	1.4539	0.9970	450112	01/01/90	12/31/90	1.2132	0.9818
450039	10/01/89	09/30/90	1.0989	0.9997	450113	06/01/89	05/31/90	1.2037	0.9871
450040	07/01/89	06/30/90	1.5712	0.9991	450115	04/01/89	03/31/90	1.1264	0.9886
450041	01/01/90	12/31/90	0.9673	0.9669	450118	09/01/89	08/31/90	1.4319	0.9980
450042	07/01/89	06/30/90	1.5279	0.9881	450119	10/01/89	09/30/90	1.2360	0.9893
450043	01/01/90	12/31/90	1.3841	0.9886	450121	10/01/89	09/30/90	1.3099	0.9931
450044	07/01/89	06/30/90	1.4551	0.9990	450123	05/01/89	04/30/90	1.0858	0.9850
450046	01/01/90	12/31/90	1.3921	0.9889	450124	10/01/89	09/30/90	1.4547	0.9989
450047	10/01/89	09/30/90	1.1035	0.9891	450126	03/01/89	02/28/90	1.1762	0.9900
450050	01/01/90	12/31/90	1.1497	0.9717	450127	10/01/89	09/30/90	0.9166	0.9706

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment to Discharges for Hospital-Specific Rate Calculations

Page 45 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
450128	07/01/89 - 06/30/90	1.2365	0.8761	450203	10/01/89 - 09/30/90	1.2027	0.9895
450130	01/01/90 - 12/31/90	1.3885	0.9888	450207	09/01/89 - 08/31/90	1.2438	0.9868
450131	08/01/89 - 07/31/90	1.1821	0.9855	450209	10/01/89 - 09/30/90	1.2476	0.9822
450132	10/01/89 - 09/30/90	1.4891	0.9877	450210	01/01/90 - 12/31/90	1.1007	0.9866
450133	10/01/89 - 09/30/90	1.4093	0.9870	450211	01/01/90 - 12/31/90	1.2935	0.9821
450135	10/01/89 - 09/30/90	1.5268	0.9873	450213	01/01/90 - 12/31/90	1.3522	0.9861
450137	10/01/89 - 09/30/90	1.2398	0.9847	450214	09/01/89 - 08/31/90	1.3385	0.9831
450140	10/01/89 - 09/30/90	0.9742	0.9840	450217	07/01/89 - 06/30/90	0.8528	0.9708
450141	01/01/89 - 05/17/90	1.0571	0.8886	450218	10/01/89 - 09/30/90	0.9568	0.9622
450142	09/01/89 - 08/31/90	1.3306	0.9959	450219	06/01/89 - 05/31/90	1.1148	0.9639
450143	07/01/89 - 06/30/90	1.0263	0.9425	450221	07/01/89 - 06/30/90	1.0524	0.9759
450144	10/01/89 - 09/30/90	1.1636	0.9917	450222	04/01/89 - 03/31/90	1.4299	0.9882
450145	01/01/90 - 12/31/90	1.0067	0.9628	450224	10/01/89 - 09/30/90	1.0699	0.9535
450146	10/01/89 - 09/30/90	1.0811	0.9839	450228	09/01/89 - 08/31/90	1.4112	0.9953
450147	07/01/89 - 06/30/90	1.2964	0.9964	450231	01/01/90 - 12/31/90	1.5454	0.9872
450148	10/01/89 - 09/30/90	1.3368	0.9871	450233	07/01/89 - 06/30/90	1.0563	0.9680
450149	11/01/89 - 10/31/90	1.4035	0.9917	450234	10/01/89 - 09/30/90	0.8703	0.9601
450150	10/01/89 - 09/30/90	0.9382	0.9282	450235	07/01/89 - 06/30/90	1.1069	0.9813
450151	10/01/89 - 09/30/90	1.0721	0.9628	450236	10/01/89 - 09/30/90	1.1683	0.9847
450152	10/01/89 - 09/30/90	1.3822	0.9902	450237	01/01/90 - 12/31/90	1.4896	0.9966
450153	01/01/90 - 12/31/90	1.4566	0.9955	450238	08/01/89 - 07/31/90	1.1281	0.9536
450154	10/01/89 - 09/30/90	1.2059	0.9750	450241	01/01/89 - 05/25/90	0.8867	0.9344
450155	10/01/89 - 09/30/90	1.1508	0.9818	450243	09/01/89 - 08/31/90	1.0289	0.9628
450157	10/01/89 - 03/02/90	1.0508	0.9885	450248	10/01/89 - 09/30/90	1.0162	0.9829
450160	10/01/89 - 09/30/90	0.8832	0.9787	450249	07/01/89 - 06/30/90	0.9255	0.9821
450162	09/01/89 - 08/31/90	1.5036	0.9855	450250	01/01/90 - 12/31/90	0.8948	0.9222
450163	01/01/90 - 12/31/90	1.1632	0.9731	450253	01/01/90 - 12/31/90	1.1164	0.9843
450164	10/01/89 - 09/30/90	0.9122	0.9826	450256	01/01/89 - 02/22/90	1.1130	0.9851
450165	01/01/90 - 12/31/90	0.8348	0.9738	450258	06/01/89 - 05/31/90	1.0847	0.9667
450166	01/01/90 - 12/31/90	0.8607	0.9659	450259	01/01/90 - 12/31/90	1.2653	0.9937
450169	01/01/90 - 12/31/90	0.8931	0.9544	450264	10/01/89 - 09/30/90	0.8565	0.9720
450170	07/01/89 - 06/30/90	1.1176	0.9711	450268	01/01/90 - 12/31/90	1.1686	0.9870
450175	01/01/90 - 12/31/90	1.2517	0.9886	450269	05/01/89 - 04/30/90	0.9277	0.9667
450176	10/01/89 - 09/30/90	1.2586	0.9822	450270	04/01/89 - 03/31/90	1.1202	0.9839
450177	07/01/89 - 06/30/90	1.1105	0.9717	450271	01/01/90 - 12/31/90	1.1645	0.9660
450181	01/01/90 - 12/31/90	1.0698	0.9551	450275	06/01/89 - 05/17/90	1.2073	0.9853
450183	01/01/89 - 10/18/90	1.0427	0.9848	450276	07/01/89 - 06/30/90	1.0043	0.9805
450184	07/01/89 - 06/30/90	1.3650	0.9938	450278	10/01/89 - 09/30/90	1.1214	0.9810
450185	10/01/89 - 09/30/90	1.1240	0.9899	450280	01/01/90 - 12/31/90	0.9101	0.9493
450187	01/01/90 - 12/31/90	1.2161	0.9910	450283	11/01/89 - 10/31/90	1.0906	0.9550
450188	04/01/89 - 03/31/90	0.9759	0.9471	450286	01/01/90 - 12/31/90	1.0816	0.9817
450190	07/01/89 - 06/30/90	1.2618	0.9918	450288	04/01/89 - 03/31/90	1.1465	0.9887
450191	01/01/90 - 12/31/90	1.0791	0.9788	450289	10/01/89 - 09/30/90	1.2705	0.9989
450192	09/01/89 - 08/31/90	1.0455	0.9916	450293	01/01/90 - 12/31/90	1.2051	0.9786
450193	10/01/89 - 09/30/90	2.1113	0.9993	450296	01/01/90 - 12/31/90	1.2225	0.9866
450194	01/01/90 - 12/31/90	1.1127	0.9906	450299	01/01/90 - 12/31/90	1.0017	0.9763
450195	01/01/90 - 12/31/90	1.4395	0.9865	450300	09/01/89 - 08/31/90	1.3965	0.9975
450196	01/01/90 - 12/31/90	1.2056	0.9905	450303	01/01/90 - 12/31/90	0.9157	0.9670
450197	09/01/89 - 08/31/90	1.2096	0.9976	450306	01/01/90 - 12/31/90	1.0413	0.9468
450200	10/01/89 - 09/30/90	1.2377	0.9973	450307	05/01/89 - 04/30/90	1.1670	0.9662
450201	01/01/90 - 12/31/90	0.9905	0.8407	450309	06/01/89 - 05/31/90	1.0381	0.9688

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
450315	09/01/89 - 08/31/90	1.2596	0.9866	450438	01/01/90 - 12/31/90	1.0878	0.9743
450320	04/01/89 - 03/31/90	1.2997	0.9900	450448	01/01/90 - 12/31/90	0.8805	1.0000
450321	01/01/90 - 12/31/90	0.9152	0.9671	450447	05/01/89 - 04/30/90	1.2857	0.9909
450322	01/01/90 - 12/31/90	0.8504	0.9494	450450	10/01/89 - 09/30/90	1.0600	0.9708
450324	07/01/89 - 06/30/90	1.5044	0.9924	450451	07/01/89 - 06/30/90	1.1229	0.9758
450325	07/01/89 - 06/30/90	1.2536	0.9850	450457	05/01/89 - 05/31/90	1.5278	0.9995
450327	10/01/89 - 09/30/90	1.0473	0.9820	450460	07/01/89 - 06/30/90	1.0805	0.9825
450330	01/01/90 - 12/31/90	1.1112	0.9883	450462	10/01/89 - 09/30/90	1.3977	0.9997
450331	07/31/88 - 06/30/90	1.1423	0.9830	450464	10/01/89 - 09/30/90	0.9088	0.9663
450334	10/01/89 - 09/30/90	1.0328	0.9859	450485	10/01/89 - 09/30/90	1.1391	0.9802
450337	11/01/89 - 10/31/90	1.1451	0.9835	450487	07/01/89 - 06/30/90	1.0507	0.9687
450340	01/01/90 - 12/31/90	1.2875	0.9898	450489	07/01/89 - 06/30/90	1.2421	0.9934
450341	04/01/89 - 03/31/90	0.8920	1.0000	450472	05/01/89 - 04/30/90	1.0189	0.9548
450346	09/01/89 - 08/31/90	1.3029	0.9887	450473	08/01/89 - 05/31/90	1.1128	0.9725
450347	01/01/90 - 12/31/90	1.2493	0.9776	450475	10/01/89 - 09/30/90	1.1290	0.8903
450348	09/01/89 - 08/31/90	0.9758	0.9517	450476	07/01/89 - 06/30/90	0.9738	0.9487
450349	07/01/89 - 06/30/90	1.2691	0.9849	450484	09/01/89 - 08/31/90	1.4348	0.9942
450351	06/01/89 - 05/31/90	1.2943	0.9843	450486	07/01/89 - 06/30/90	0.9945	0.9600
450352	10/01/89 - 09/30/90	1.2870	0.9863	450488	10/01/89 - 09/30/90	1.1043	0.9655
450353	09/01/89 - 08/31/90	1.1884	0.9721	450489	04/01/89 - 03/31/90	1.0828	0.9510
450355	01/01/90 - 12/31/90	0.9804	0.9431	450497	07/01/89 - 06/30/90	1.1159	0.9073
450358	01/01/90 - 12/31/90	1.8549	0.9988	450498	07/01/89 - 06/30/90	0.9793	0.9517
450362	07/01/89 - 06/30/90	0.8968	0.9748	450508	07/01/89 - 06/30/90	1.5345	0.9904
450365	01/01/90 - 12/31/90	0.8080	0.9970	450514	01/01/90 - 12/31/90	1.1115	0.8970
450368	04/01/89 - 03/31/90	1.4787	0.9947	450517	07/01/89 - 06/30/90	0.9618	0.9778
450369	10/01/89 - 09/30/90	1.1880	0.9435	450518	01/01/90 - 12/31/90	1.3107	0.8931
450370	05/01/89 - 04/30/90	1.1969	0.9904	450523	01/01/90 - 12/31/90	1.4438	0.8909
450371	01/01/90 - 12/31/90	1.1132	0.9870	450530	12/01/89 - 11/30/90	1.3168	0.8920
450372	07/01/89 - 06/30/90	1.3052	0.9767	450534	10/01/89 - 09/30/90	1.0351	0.8575
450373	11/01/89 - 10/31/90	1.1855	0.9889	450535	09/01/89 - 12/31/90	1.2724	0.8842
450374	10/01/89 - 09/30/90	0.8280	0.9428	450537	06/01/89 - 05/31/90	1.3203	0.9970
450378	01/01/90 - 12/31/90	1.4860	0.9958	450538	01/01/90 - 12/31/90	1.2017	0.8597
450378	09/01/89 - 08/31/90	1.3165	0.9886	450539	09/01/89 - 08/31/90	1.3133	0.9712
450379	08/01/89 - 05/31/90	1.4848	0.9934	450544	08/01/89 - 07/31/90	1.2653	0.9920
450381	04/01/89 - 03/31/90	0.8026	0.9872	450545	07/01/89 - 06/30/90	1.3487	0.9987
450388	10/01/89 - 09/30/90	1.5549	0.9885	450546	08/01/89 - 05/31/90	1.3270	0.8937
450389	11/01/89 - 10/31/90	1.2759	0.9869	450547	10/01/89 - 09/30/90	0.9595	0.8611
450393	03/01/89 - 02/28/90	1.2829	0.9888	450550	01/01/90 - 12/31/90	1.1105	0.8948
450394	11/01/88 - 09/30/90	1.1766	0.9831	450551	04/01/89 - 03/31/90	1.0779	0.9874
450395	07/01/89 - 06/30/90	1.0978	0.9571	450557	10/01/89 - 09/30/90	1.0485	0.9659
450399	10/01/89 - 09/30/90	1.1267	0.9688	450558	09/01/89 - 08/31/90	1.7959	0.9957
450400	07/01/89 - 06/30/90	1.1708	0.9704	450559	10/01/89 - 09/30/90	0.9052	0.8512
450403	08/01/89 - 07/31/90	1.2441	0.9821	450561	10/01/89 - 09/30/90	1.4838	0.8987
450410	01/01/90 - 12/31/90	1.0962	0.9914	450563	07/01/89 - 06/30/90	1.1893	0.8927
450411	07/01/89 - 06/30/90	1.0621	0.9503	450565	10/01/89 - 09/30/90	1.2024	0.8921
450417	01/01/89 - 01/16/90	0.9270	0.9732	450570	04/01/89 - 03/31/90	0.9902	0.9704
450418	02/27/89 - 03/31/90	1.3982	0.9854	450571	10/01/89 - 09/30/90	1.4358	0.9925
450419	10/01/89 - 09/30/90	1.3002	0.9775	450573	07/01/89 - 06/30/90	1.0806	0.9634
450422	10/01/89 - 09/30/90	0.7786	1.0000	450574	10/01/89 - 09/30/90	1.1139	0.9601
450423	09/01/89 - 08/31/90	1.3840	0.9886	450575	10/01/89 - 09/30/90	0.9283	0.9780
450424	01/01/90 - 12/31/90	1.2173	0.9842	450578	10/01/89 - 09/30/90	1.0039	0.9517
450429	12/01/89 - 11/30/90	0.9816	0.9747	450580	10/01/89 - 09/30/90	1.1628	0.9822
450431	01/01/90 - 12/31/90	1.4358	0.9990	450583	10/01/89 - 09/30/90	0.9911	0.9935

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments  
to Discharges for Hospital-Specific Rate Calculations

Page 47 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX		TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX		TRANSFER ADJUSTMENT TO DISCHARGES
450584	10/01/89 - 09/30/90	1.2859	0.9853	0.9853	450673	10/01/89 - 09/30/90	0.9223	0.9573	0.9573
450586	07/01/89 - 06/30/90	1.1629	0.9926	0.9926	450674	08/01/89 - 07/31/90	0.8710	1.0000	1.0000
450587	08/01/89 - 08/31/90	1.1580	0.9922	0.9922	450675	04/01/89 - 03/31/90	1.2513	0.9912	0.9912
450590	11/01/89 - 10/31/90	0.9731	1.0000	1.0000	450677	01/01/90 - 12/31/90	1.2807	0.9970	0.9970
450591	10/01/89 - 09/30/90	1.1593	0.9719	0.9719	450678	06/01/89 - 05/31/90	1.4193	0.9978	0.9978
450598	10/01/89 - 09/30/90	1.1867	0.9894	0.9894	450681	07/01/89 - 06/30/90	1.5280	0.9989	0.9989
450597	10/01/89 - 08/30/90	1.0842	0.9839	0.9839	450682	07/01/89 - 06/30/90	1.2466	0.9874	0.9874
450600	10/01/89 - 09/30/90	0.9447	0.9809	0.9809	450683	10/01/89 - 09/30/90	1.2911	0.9837	0.9837
450603	04/01/89 - 03/31/90	0.8306	0.9855	0.9855	450684	07/01/89 - 06/30/90	1.3433	0.9917	0.9917
450604	01/01/90 - 12/31/90	1.2294	0.9755	0.9755	450685	07/01/89 - 06/30/90	1.3426	0.9884	0.9884
450605	01/01/90 - 12/31/90	1.2848	0.9917	0.9917	450686	01/01/90 - 12/31/90	1.3478	0.9977	0.9977
450607	10/01/89 - 09/30/90	0.8921	0.9183	0.9183	450688	06/01/89 - 05/31/90	1.1663	0.9814	0.9814
450609	10/01/89 - 08/30/90	0.9885	0.9813	0.9813	450690	09/01/89 - 08/31/90	1.2839	0.9859	0.9859
450610	04/01/89 - 03/31/90	1.2938	0.9867	0.9867	450691	06/01/89 - 06/30/90	1.3524	0.9848	0.9848
450614	10/01/89 - 09/30/90	1.0064	0.9815	0.9815	450694	07/01/89 - 06/30/90	1.1351	0.9701	0.9701
450615	01/01/90 - 12/31/90	0.9646	0.9616	0.9616	450696	11/01/89 - 10/31/90	1.0464	1.0000	1.0000
450617	09/01/89 - 08/31/90	1.2823	0.9946	0.9946	450697	01/01/90 - 12/31/90	1.4502	0.9840	0.9840
450620	07/01/89 - 06/30/90	1.1126	0.9429	0.9429	450698	10/01/89 - 09/30/90	0.8382	0.9475	0.9475
450623	10/01/89 - 08/30/90	1.1297	0.9598	0.9598	450700	01/01/90 - 12/31/90	0.8814	0.9804	0.9804
450626	10/01/89 - 09/30/90	0.9574	0.9214	0.9214	450702	09/01/89 - 08/31/90	1.2399	0.9916	0.9916
450628	10/01/89 - 09/30/90	0.9842	0.9858	0.9858	450703	01/01/90 - 12/31/90	1.3123	0.9895	0.9895
450630	05/01/89 - 04/30/90	1.6024	0.9881	0.9881	450704	07/01/89 - 06/30/90	1.2311	0.9887	0.9887
450631	09/01/89 - 08/31/90	1.8121	0.9978	0.9978	450705	10/01/89 - 09/30/90	0.8119	1.0000	1.0000
450632	10/01/89 - 09/30/90	0.9569	0.9856	0.9856	450706	01/01/90 - 12/31/90	1.2086	0.9803	0.9803
450633	08/01/89 - 08/31/90	1.5020	0.9990	0.9990	450709	07/01/89 - 06/30/90	1.1331	0.9880	0.9880
450634	01/01/90 - 12/31/90	1.2423	0.9889	0.9889	450711	11/01/89 - 10/31/90	0.6227	1.0000	1.0000
450637	09/01/89 - 08/31/90	1.1876	0.9815	0.9815	450712	01/01/90 - 12/31/90	1.2263	0.9881	0.9881
450638	06/01/89 - 05/31/90	1.4551	0.9957	0.9957	450713	01/01/90 - 12/31/90	1.3748	0.9934	0.9934
450639	10/01/89 - 09/30/90	1.5257	0.9880	0.9880	450716	01/01/90 - 12/31/90	1.1711	0.9849	0.9849
450641	07/01/89 - 06/30/90	0.9085	0.9827	0.9827	450717	01/01/90 - 12/31/90	1.3338	0.9840	0.9840
450643	07/01/89 - 06/30/90	1.1873	0.9863	0.9863	450718	01/01/90 - 12/31/90	1.1262	0.9833	0.9833
450644	09/01/89 - 08/31/90	1.8321	0.9961	0.9961	450723	07/01/89 - 06/30/90	1.2718	0.9886	0.9886
450646	01/01/90 - 12/31/90	1.3598	0.9977	0.9977	450724	01/01/90 - 12/31/90	1.2318	0.9882	0.9882
450647	08/01/89 - 08/31/90	1.8629	0.9985	0.9985	450725	09/01/89 - 08/31/90	0.9693	1.0000	1.0000
450648	10/01/89 - 09/30/90	1.1305	0.9797	0.9797	450726	10/01/89 - 09/30/90	0.8821	0.9596	0.9596
450649	07/01/89 - 06/30/90	1.0095	0.9352	0.9352	450727	10/01/89 - 09/30/90	1.0201	0.9591	0.9591
450651	04/01/89 - 03/31/90	1.5716	0.9949	0.9949	450728	10/01/89 - 09/30/90	0.8497	0.9075	0.9075
450652	10/01/89 - 09/30/90	0.9098	0.9855	0.9855	450729	01/01/90 - 12/31/90	0.8636	0.9900	0.9900
450653	08/01/89 - 07/31/90	1.2354	0.9930	0.9930	450730	06/01/89 - 05/31/90	1.3383	0.9887	0.9887
450654	10/01/89 - 09/30/90	0.9427	0.9841	0.9841	450732	08/01/89 - 07/31/90	1.1232	0.9814	0.9814
450656	01/01/90 - 12/31/90	1.2742	0.9871	0.9871	450733	09/01/89 - 08/31/90	1.3674	0.9919	0.9919
450658	07/01/89 - 06/30/90	1.0356	0.9400	0.9400	450734	08/01/89 - 08/31/90	1.1462	0.9785	0.9785
450659	01/01/90 - 12/31/90	1.3814	0.9977	0.9977	450735	01/01/90 - 12/31/90	0.8533	0.9324	0.9324
450660	03/01/89 - 02/28/90	1.4322	0.9911	0.9911	450737	10/01/89 - 09/30/90	0.5859	1.0000	1.0000
450661	01/01/90 - 12/31/90	1.2325	0.9956	0.9956	450742	09/01/89 - 08/31/90	1.2843	0.9834	0.9834
450662	09/01/89 - 08/31/90	1.2347	0.9959	0.9959	450743	07/01/89 - 06/30/90	1.3189	0.9947	0.9947
450665	07/01/89 - 06/30/90	0.9821	0.9853	0.9853	450745	04/01/89 - 03/31/90	1.0304	0.9485	0.9485
450666	09/30/88 - 08/31/90	1.1965	0.9919	0.9919	450746	10/01/90 - 12/31/90	0.7712	0.9851	0.9851
450667	09/30/88 - 08/31/90	1.0943	0.9400	0.9400	450748	10/01/89 - 09/30/90	0.9539	0.9881	0.9881
450668	06/01/89 - 05/31/90	1.4454	0.9964	0.9964	450749	01/01/90 - 12/31/90	1.1998	0.9911	0.9911
450669	07/01/89 - 06/30/90	1.3782	0.9749	0.9749	450750	07/01/89 - 06/30/90	1.0533	0.9882	0.9882
450670	07/01/89 - 06/30/90	1.1870	0.9916	0.9916					
450672	08/01/89 - 07/31/90	1.5011	0.9976	0.9976					

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

Page 48 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
450751	01/01/90 - 12/31/90	1.2148	0.9483	470001	10/01/89 - 09/30/90	1.1357	0.9765
450753	01/01/89 - 10/05/90	1.1043	0.9833	470003	10/01/89 - 09/30/90	1.8116	0.9974
450754	01/01/89 - 09/30/90	0.8931	0.9537	470004	10/01/89 - 09/30/90	1.1931	0.9746
450755	06/01/89 - 05/31/90	1.0024	0.9705	470005	10/01/89 - 09/30/90	1.2032	0.9909
450757	01/01/90 - 12/31/90	0.9487	0.9530	470006	10/01/89 - 09/30/90	1.1876	0.9713
450758	06/01/89 - 05/31/90	1.3634	1.0000	470008	10/01/89 - 09/30/90	1.1633	0.9794
450759	08/01/89 - 08/07/90	1.0071	0.9880	470010	10/01/89 - 09/30/90	1.0063	0.9798
450760	08/08/88 - 07/03/90	1.2481	0.9898	470011	10/01/89 - 09/30/90	1.1983	0.9826
450761	10/01/89 - 09/30/90	0.8518	0.9682	470012	10/01/89 - 09/30/90	1.2839	0.9897
450763	11/12/88 - 08/30/90	1.1002	0.9458	470013	10/01/89 - 09/30/90	1.0900	0.9856
450764	10/02/88 - 04/02/90	1.7622	0.9889	470015	10/01/89 - 09/30/90	1.1803	0.9807
450765	12/04/88 - 12/31/90	1.0114	0.9573	470016	10/01/89 - 09/30/90	1.0931	0.9781
450766	12/08/88 - 12/31/90	1.4884	0.9978	470018	10/01/89 - 09/30/90	1.1039	0.9695
450767	12/14/88 - 06/07/90	0.9168	1.0000	470020	10/01/89 - 09/30/90	0.9300	0.9603
450001	01/01/90 - 12/31/90	1.5517	0.9987	470023	10/01/89 - 09/30/90	1.2282	0.9732
450003	06/01/89 - 05/31/90	1.4406	0.9979	470024	10/01/89 - 09/30/90	1.1203	0.9604
450004	01/01/90 - 12/31/90	1.6132	0.9970	480001	10/01/89 - 09/30/90	0.9982	1.0000
450005	06/01/89 - 05/31/90	1.2993	0.9894	490001	10/01/89 - 09/30/90	1.1252	0.9902
450006	01/01/90 - 12/31/90	1.3188	0.9926	490002	09/01/89 - 08/31/90	1.0698	0.9821
450007	01/01/90 - 12/31/90	1.2295	0.9938	480003	10/01/89 - 09/30/90	0.6214	1.0000
450008	03/01/89 - 02/28/90	1.2486	0.9693	490004	01/01/90 - 12/31/90	1.1515	0.9905
450009	07/01/89 - 06/30/90	1.7240	0.9996	490005	01/01/90 - 12/31/90	1.4200	0.9948
450010	01/01/90 - 12/31/90	1.9504	0.9995	490006	10/01/89 - 09/30/90	1.1825	0.9796
450011	01/01/90 - 12/31/90	1.2741	0.9758	490007	05/01/89 - 04/30/90	1.7108	0.9974
450013	09/01/89 - 08/31/90	1.3578	0.9890	490008	07/01/89 - 06/30/90	1.5624	0.9952
450014	01/01/90 - 12/31/90	0.9871	0.9559	490009	07/01/89 - 06/30/90	1.0707	0.9929
450015	01/01/90 - 12/31/90	1.2547	0.9754	490010	07/01/89 - 06/30/90	1.2326	0.9872
450016	01/01/90 - 12/31/90	0.9267	0.9386	490011	01/01/90 - 12/31/90	1.2284	0.9918
450017	09/01/89 - 08/31/90	1.2114	0.9715	490012	08/01/89 - 07/31/90	1.0377	0.9887
450018	01/01/90 - 12/31/90	0.8485	0.8604	490013	09/01/89 - 08/31/90	1.1308	0.9801
450019	01/01/90 - 12/31/90	0.9906	0.9635	490014	01/01/90 - 12/31/90	1.5308	0.9900
450020	01/01/90 - 12/31/90	1.3570	0.9846	490017	09/01/89 - 08/31/90	1.3557	0.9913
450021	01/01/90 - 12/31/90	0.9406	0.9739	490018	01/01/90 - 12/31/90	1.2598	0.9809
450022	01/01/90 - 12/31/90	0.9406	0.9739	490019	10/01/89 - 09/30/90	1.1308	0.9804
450023	01/01/90 - 12/31/90	1.1253	0.9869	490020	01/01/90 - 12/31/90	1.0671	0.9753
450024	10/01/89 - 09/30/90	0.9915	0.9903	490021	01/01/90 - 12/31/90	1.3727	0.9972
450025	01/01/90 - 12/31/90	0.8888	1.0000	490022	07/01/89 - 06/30/90	1.2038	0.9847
450026	01/01/90 - 12/31/90	0.8684	0.9309	490023	10/01/89 - 09/30/90	1.2180	0.9811
450027	01/01/90 - 12/31/90	0.9742	0.9512	490024	10/01/89 - 09/30/90	1.5803	0.9985
450029	01/01/90 - 12/31/90	0.9500	0.9432	490027	10/01/89 - 09/30/90	1.0638	0.9819
450030	02/01/89 - 01/31/90	1.1174	0.9528	490028	04/01/89 - 03/31/90	1.2320	0.9821
450032	07/01/89 - 06/30/90	0.9666	0.9784	490029	01/01/90 - 12/31/90	1.0998	0.9925
450033	01/01/90 - 12/31/90	0.8701	0.9821	490030	10/01/89 - 09/30/90	1.2744	0.9890
450035	07/01/89 - 06/30/90	0.9025	0.9745	490031	01/01/90 - 12/31/90	1.0348	0.9776
450036	01/01/90 - 12/31/90	0.9480	0.9351	490032	07/01/89 - 06/30/90	1.5687	0.9971
450037	07/01/89 - 06/30/90	0.9745	0.9735	490033	01/01/90 - 12/31/90	1.2107	0.9883
450039	01/01/90 - 12/31/90	0.9549	0.9361	490035	07/01/89 - 06/30/90	1.1001	0.9884
450041	08/01/89 - 08/31/90	1.2085	0.9780	490037	01/01/90 - 12/31/90	1.1303	0.9877
450042	10/01/89 - 09/30/90	1.3555	0.9851	490038	10/01/89 - 09/30/90	1.2673	0.9899
450043	01/01/90 - 12/31/90	1.3453	1.0000	490040	09/25/89 - 09/30/90	1.3120	0.9938
450044	01/01/90 - 12/31/90	1.1575	0.9819	490041	01/01/90 - 12/31/90	1.1546	0.9938
450046	01/01/90 - 12/31/90	1.0031	1.0000	490042	10/01/89 - 09/30/90	1.2315	0.9838
450047	11/01/89 - 10/31/90	1.6950	0.9973				

PROVIDER COST REPORTING PERIOD				TRANSFER ADJUSTED CASE MIX INDEX		TRANSFER ADJUSTMENT TO DISCHARGES	
PROVIDER NUMBER	COST BEGIN	REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	
490043	07/01/89	- 06/30/90	1.2113	0.9890	0.9890	0.9998	
490044	10/01/88	- 09/30/90	1.2564	0.9923	0.9923	0.9919	
490045	10/01/89	- 09/30/90	1.1169	0.9959	0.9959	0.9915	
490046	05/01/89	- 04/30/90	1.3203	0.9879	0.9879	0.9930	
490047	10/01/88	- 09/30/90	1.1708	0.9740	0.9740	0.9808	
490048	01/01/90	- 12/31/90	1.2708	0.9972	0.9972	0.9863	
490050	01/01/90	- 12/31/90	1.2550	0.9983	0.9983	0.9915	
490052	01/01/90	- 12/31/90	1.4105	0.9877	0.9877	0.9772	
490053	07/01/88	- 06/30/90	1.2181	0.9843	0.9843	1.0000	
490054	10/01/88	- 09/30/90	1.0806	0.9666	0.9666	0.9786	
490057	01/01/90	- 12/31/90	1.2322	0.9963	0.9963	0.9724	
490059	09/01/88	- 08/31/90	1.3760	0.9984	0.9984	0.9844	
490060	09/01/89	- 08/31/90	1.0892	0.9927	0.9927	0.9910	
490063	01/01/90	- 12/31/90	1.5271	0.9984	0.9984	0.9847	
490066	01/01/90	- 12/31/90	1.0803	0.9757	0.9757	0.9985	
490067	01/01/90	- 12/31/90	1.2180	0.9899	0.9899	0.9848	
490069	10/01/89	- 09/30/90	1.3057	0.9978	0.9978	0.9969	
490071	01/01/90	- 12/31/90	1.2568	0.9978	0.9978	0.9888	
490073	09/01/89	- 08/31/90	1.1294	0.9932	0.9932	0.9879	
490074	01/01/90	- 12/31/90	1.2487	0.9927	0.9927	0.9983	
490075	01/01/90	- 12/31/90	1.1881	0.9898	0.9898	0.9963	
490077	10/01/89	- 09/30/90	1.1959	0.9925	0.9925	0.9782	
490079	01/01/90	- 12/31/90	1.2038	0.9808	0.9808	0.9923	
490083	10/01/89	- 09/30/90	0.7832	1.0000	1.0000	0.9687	
490084	01/01/90	- 12/31/90	1.1104	0.9358	0.9358	0.9658	
490085	10/01/89	- 09/30/90	1.1344	0.9894	0.9894	0.9835	
490088	10/01/89	- 09/30/90	1.0852	0.9794	0.9794	0.9687	
490089	10/01/88	- 09/30/90	1.0350	0.9735	0.9735	0.9667	
490090	07/01/89	- 06/30/90	1.1397	0.9883	0.9883	0.9984	
490091	10/01/89	- 09/30/90	1.2242	0.9958	0.9958	0.9869	
490092	01/01/90	- 12/31/90	1.1129	0.9744	0.9744	0.9988	
490093	05/01/89	- 04/30/90	1.2437	0.9935	0.9935	0.9711	
490094	05/01/89	- 04/30/90	1.1114	0.9991	0.9991	0.9298	
490095	01/01/90	- 12/31/90	1.2704	0.9881	0.9881	0.9951	
490097	09/01/89	- 08/31/90	1.1459	0.9838	0.9838	0.9853	
490098	07/01/89	- 06/30/90	1.3277	0.9917	0.9917	0.9927	
490099	09/01/88	- 08/31/90	0.9360	0.9883	0.9883	0.9940	
490100	01/01/89	- 09/30/90	1.2564	0.9971	0.9971	0.9940	
490101	01/01/90	- 12/31/90	1.0878	0.9867	0.9867	0.9952	
490104	07/01/89	- 06/30/90	0.7989	0.9958	0.9958	0.9857	
490105	07/01/89	- 06/30/90	0.8107	0.9745	0.9745	0.9850	
490106	07/01/89	- 06/30/90	0.8106	0.9878	0.9878	0.9883	
490107	01/01/90	- 12/31/90	1.1636	0.9911	0.9911	0.9853	
490108	07/01/89	- 06/30/90	0.8912	0.9957	0.9957	0.9642	
490109	07/01/89	- 06/30/90	0.8501	0.9769	0.9769	0.9986	
490110	10/01/89	- 09/30/90	1.1070	0.9967	0.9967	0.9904	
490111	07/01/89	- 06/30/90	1.1068	0.9928	0.9928	0.9876	
490112	09/01/89	- 08/31/90	1.4495	0.9987	0.9987	0.9977	
490113	11/01/89	- 10/31/90	1.2079	0.9835	0.9835	0.9863	
490114	07/01/89	- 06/30/90	1.0281	0.9992	0.9992	0.9970	
490115	10/01/89	- 09/30/90	1.1624	0.9818	0.9818	0.9953	
490116	09/01/89	- 08/31/90	1.1148	0.9880	0.9880	0.9876	
490117	12/01/89	- 11/30/90	1.0439	0.9915	0.9915	0.9994	



Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments  
to Discharges for Hospital-Specific Rate Calculations

Page 50 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN - END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
500055	08/01/89 - 07/31/90	0.9938	0.9645	500139	02/01/89 - 01/31/90	1.3026	0.9875
500057	10/01/89 - 09/30/90	1.2097	0.9822	500140	10/01/89 - 09/30/90	0.8633	1.0000
500058	01/01/90 - 12/31/90	1.2675	0.9812	500141	07/01/89 - 06/30/90	1.3557	0.9871
500059	01/01/90 - 12/31/90	1.1383	0.9551	510001	01/01/90 - 12/31/90	1.5106	0.9958
500060	01/01/90 - 12/31/90	1.1513	0.9803	510002	09/01/89 - 10/31/90	1.3032	0.9799
500061	01/01/90 - 12/31/90	1.0409	0.9662	510004	11/01/89 - 10/31/90	0.9493	0.9773
500062	01/01/90 - 12/31/90	1.0250	0.9578	510005	01/01/90 - 12/31/90	0.9906	0.9804
500064	07/01/89 - 06/30/90	1.5012	0.9882	510006	01/01/89 - 12/31/90	1.2284	0.9899
500065	01/01/90 - 12/31/90	1.1422	0.9653	510007	10/01/89 - 09/30/90	1.3039	0.9999
500068	01/01/90 - 12/31/90	1.0853	1.0000	510008	01/01/90 - 12/31/90	1.1718	0.9956
500069	01/01/90 - 12/31/90	1.0281	0.8786	510009	01/01/90 - 12/31/90	1.0865	0.9747
500071	01/01/90 - 12/31/90	1.3292	0.9815	510012	10/01/89 - 09/30/90	1.0613	0.9885
500072	01/01/90 - 12/31/90	1.2028	0.9785	510013	10/01/89 - 09/30/90	1.1573	0.9947
500073	01/01/90 - 12/31/90	1.0028	0.9547	510014	02/01/89 - 01/31/90	0.8433	0.9842
500074	01/01/90 - 12/31/90	1.1159	0.9913	510015	07/01/89 - 06/30/90	0.9782	0.9822
500075	01/01/90 - 12/31/90	1.2525	0.9863	510016	01/01/90 - 12/31/90	1.0494	0.9785
500076	04/01/89 - 03/31/90	1.2864	0.9901	510018	07/01/89 - 06/30/90	1.1263	0.9824
500077	08/01/89 - 07/31/90	1.2437	0.9918	510020	07/01/89 - 06/30/90	1.2008	0.9551
500078	11/01/89 - 10/31/90	1.2815	0.9936	510022	01/01/90 - 12/31/90	1.5933	0.9888
500079	10/01/89 - 09/30/90	1.2066	0.9861	510023	07/01/89 - 06/30/90	1.0221	0.9934
500080	01/01/90 - 12/31/90	1.0048	0.9775	510024	07/01/89 - 06/30/90	1.2942	0.9978
500084	01/01/90 - 12/31/90	0.9715	0.9837	510025	07/01/89 - 06/30/90	1.0354	0.9559
500085	01/01/90 - 12/31/90	1.0101	0.9719	510026	07/01/89 - 06/30/90	0.9855	0.9739
500086	07/01/89 - 06/30/90	1.3424	0.9760	510027	07/01/89 - 06/30/90	1.2019	0.9677
500088	01/01/90 - 12/31/90	1.3128	0.9822	510028	01/01/90 - 12/31/90	1.0797	0.9935
500089	01/01/90 - 12/31/90	1.0256	0.9687	510029	10/01/89 - 09/30/90	1.2366	0.9962
500090	01/01/90 - 12/31/90	0.8562	1.0000	510030	10/01/89 - 09/30/90	1.1399	1.0000
500092	01/01/90 - 12/31/90	1.1213	0.9781	510031	01/01/89 - 12/31/90	1.2618	0.9946
500093	01/01/90 - 12/31/90	1.1351	0.9820	510033	01/01/90 - 12/31/90	1.2064	0.9952
500094	01/01/90 - 12/31/90	0.9475	0.9836	510035	07/01/89 - 06/30/90	1.1020	0.9984
500096	01/01/90 - 12/31/90	1.0348	0.9268	510036	07/01/89 - 06/30/90	1.2059	0.9964
500097	01/01/90 - 12/31/90	1.0095	0.9352	510038	10/01/89 - 09/30/90	1.0522	0.9640
500098	01/01/90 - 12/31/90	0.8857	0.9904	510039	01/01/90 - 12/31/90	1.2766	0.9938
500101	01/01/90 - 12/31/90	0.9327	0.9813	510040	01/01/90 - 12/31/90	1.0679	0.9749
500102	01/01/90 - 12/31/90	0.9302	0.9217	510043	07/01/89 - 06/30/90	1.0834	0.9770
500104	04/01/89 - 03/31/90	0.9302	0.9875	510046	07/01/89 - 06/30/90	1.2919	0.9899
500106	01/01/90 - 12/31/90	0.9863	0.9510	510047	01/01/90 - 12/31/90	1.1333	0.9806
500107	01/01/90 - 12/31/90	1.1155	0.9735	510048	01/01/90 - 12/31/90	1.1473	0.9814
500108	07/01/89 - 06/30/90	1.6203	0.9980	510050	10/01/89 - 09/30/90	1.2267	0.9948
500110	01/01/90 - 12/31/90	1.2291	0.9867	510053	10/01/89 - 09/30/90	1.0064	0.9772
500118	01/01/90 - 12/31/90	1.1271	0.9413	510055	10/01/89 - 09/30/90	1.1688	0.9852
500119	01/01/90 - 12/31/90	1.2546	0.9900	510058	07/01/89 - 06/30/90	1.2031	0.9944
500122	01/01/90 - 12/31/90	1.2253	0.9781	510059	01/01/90 - 12/31/90	1.2227	1.0000
500123	01/01/90 - 12/31/90	1.0496	0.9716	510060	09/01/89 - 08/31/90	1.1605	0.9903
500124	01/01/90 - 12/31/90	1.3113	0.9854	510061	07/01/89 - 06/30/90	1.1243	0.9712
500125	01/01/90 - 12/31/90	0.9466	0.9239	510062	01/01/89 - 06/30/90	1.1549	0.9963
500127	07/01/89 - 06/30/90	0.9870	1.0000	510063	01/01/90 - 12/31/90	1.0481	0.9680
500129	01/01/90 - 12/31/90	1.6458	0.9974	510065	01/01/90 - 12/31/90	1.0190	0.9704
500132	01/01/90 - 12/31/90	0.8133	0.9775	510066	01/01/90 - 12/31/90	1.1415	0.9987
500134	01/01/90 - 12/31/90	0.5760	1.0000	510067	09/01/89 - 08/31/90	1.2152	0.9942
500135	07/01/89 - 06/30/90	1.2380	0.9711	510068	10/01/89 - 09/30/90	1.1552	0.9684
500137	06/01/89 - 05/31/90	0.7794	1.0000	510070	08/01/89 - 05/31/90	1.1654	0.9932
500138	07/01/89 - 06/30/90	2.3587	1.0000	510071	07/01/89 - 06/30/90	1.3442	0.9890

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustment  
to Discharges for Hospital-Specific Rate Calculations

Page 51 of 52

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN -	END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN -	END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
510072	07/01/89	06/30/90	1.0789	0.9642	520053	01/01/90	12/31/90	1.0583	0.9452
510076	01/01/90	12/31/90	0.9857	0.9979	520054	01/01/90	12/31/90	1.1963	0.9762
510077	10/01/89	09/30/90	1.1307	0.9891	520056	10/01/89	09/30/90	1.2876	0.9909
510080	07/01/89	06/30/90	0.9829	0.9739	520057	10/01/90	12/31/90	1.1356	0.9785
510081	10/01/89	09/30/90	1.0599	0.9719	520058	10/01/89	09/30/90	1.1493	0.9824
510082	01/01/90	12/31/90	0.9698	0.9798	520059	10/01/89	09/30/90	1.2532	0.9834
510084	01/01/90	12/31/90	0.9808	0.9761	520060	10/01/89	09/30/90	1.2259	0.9886
510085	10/01/89	09/30/90	1.2601	0.9956	520062	10/01/89	09/30/90	1.2107	0.9794
510086	07/01/89	06/30/90	1.0588	0.9857	520063	07/01/89	06/30/90	1.2124	0.9764
510087	02/07/89	11/30/90	0.7923	0.9108	520064	12/31/89	12/29/90	1.4509	0.9928
520002	10/01/89	09/30/90	1.2971	0.9778	520066	07/01/89	06/30/90	1.2563	0.9897
520003	01/01/90	12/31/90	1.1247	0.9677	520068	07/01/89	06/30/90	1.0030	0.9678
520004	07/01/89	06/30/90	1.2330	0.9958	520069	01/01/90	12/31/90	1.2567	0.9802
520006	03/01/89	02/28/90	1.0632	0.9758	520070	01/01/90	12/31/90	1.2410	0.9861
520007	07/01/89	06/30/90	1.1377	0.9701	520071	10/01/89	09/30/90	1.1419	0.9759
520008	10/01/89	09/30/90	1.2095	0.9887	520074	07/01/89	06/30/90	1.1303	0.9683
520009	07/01/89	06/30/90	1.3357	0.9821	520075	02/0078	06/30/90	1.3231	0.9965
520010	01/01/90	12/31/90	1.1074	0.9627	520076	07/01/89	06/30/90	1.1924	0.9758
520011	04/01/89	03/31/90	1.1514	0.9821	520077	10/01/89	09/30/90	1.0130	0.9670
520012	10/01/89	09/30/90	0.9369	0.9628	520078	01/01/90	12/31/90	1.3258	0.9925
520013	07/01/89	06/30/90	1.2564	0.9848	520081	10/01/89	09/30/90	1.1947	0.9885
520014	10/01/89	09/30/90	1.1776	0.9804	520082	08/01/89	07/31/90	1.2407	0.9936
520015	07/01/89	06/30/90	1.2114	0.9859	520083	01/01/90	12/31/90	1.5238	0.9988
520016	07/01/89	06/30/90	1.0165	0.9605	520084	10/01/89	09/30/90	1.0814	0.9776
520017	07/01/89	06/30/90	1.1871	0.9857	520087	04/17/89	04/15/90	1.4850	0.9988
520018	10/01/89	09/30/90	1.0085	0.9709	520088	07/01/89	06/30/90	1.1641	0.9886
520019	10/01/89	09/30/90	1.2363	0.9818	520089	01/01/90	12/31/90	1.3588	0.9973
520020	01/01/90	12/31/90	0.6810	1.0000	520090	10/01/89	09/30/90	1.1231	0.9539
520021	10/01/89	09/30/90	1.1676	0.9850	520091	04/01/89	03/31/90	1.3339	0.9815
520024	10/01/89	09/30/90	1.0183	0.9709	520092	05/01/89	04/30/90	1.1123	0.9736
520025	07/01/89	06/30/90	1.1124	0.9823	520094	10/01/89	09/30/90	1.1802	0.9874
520026	01/01/90	12/31/90	1.0487	0.9813	520095	01/01/90	12/31/90	1.2932	0.9738
520027	07/01/89	06/30/90	1.1524	0.9828	520096	07/01/89	06/30/90	1.3213	0.9839
520028	07/01/89	06/30/90	1.2773	0.9959	520097	07/01/89	06/30/90	1.2419	0.9882
520029	10/01/89	09/30/90	0.9089	0.9784	520098	07/01/89	06/30/90	1.6081	0.9948
520030	07/01/89	06/30/90	1.1189	0.9953	520100	01/01/90	12/31/90	1.2420	0.9840
520031	10/01/89	09/30/90	1.1347	0.9715	520101	10/01/89	09/30/90	1.1309	0.9774
520032	10/01/89	09/30/90	1.2021	0.9744	520102	01/01/90	12/31/90	1.2355	0.9738
520033	08/01/89	08/31/90	1.1511	0.9748	520103	10/01/89	09/30/90	1.2885	0.9810
520034	10/01/89	09/30/90	1.2585	0.9925	520104	06/01/89	05/31/90	0.9799	0.9381
520035	01/01/90	12/31/90	1.5698	0.9881	520105	07/01/89	03/31/90	1.0063	0.9521
520037	10/01/89	09/30/90	1.2812	0.9856	520107	01/01/90	12/31/90	1.2486	0.9942
520038	01/01/90	12/31/90	1.0183	0.9562	520109	10/01/89	09/30/90	1.1000	0.9741
520039	01/01/90	12/31/90	1.0183	0.9562	520110	01/01/90	12/31/90	1.0359	0.9817
520040	07/01/89	06/30/90	1.3598	0.9938	520111	07/01/89	06/30/90	1.1388	0.9803
520041	07/01/89	06/30/90	1.0781	0.9610	520112	07/01/89	06/30/90	1.0805	0.9800
520042	10/01/89	09/30/90	1.0310	0.9769	520113	10/01/89	09/30/90	1.2072	0.9768
520044	07/01/89	06/30/90	1.3608	0.9862	520114	07/01/89	06/30/90	1.1252	0.9781
520045	01/01/90	12/31/90	1.6311	0.9964	520115	10/01/89	09/30/90	1.3156	0.9752
520047	04/01/89	03/31/90	0.9892	0.9641	520116	10/01/89	09/30/90	1.1540	0.9741
520048	10/01/89	09/30/90	1.2638	0.9884	520117	09/01/89	08/31/90	1.0510	0.9784
520049	10/01/89	09/30/90	1.7538	0.9943	520118	01/01/90	12/31/90	0.9096	0.9571
520051	07/01/89	06/30/90	1.7609	0.9990	520120	07/01/89	06/30/90	1.0600	0.9782

Table 3 -- Base Year Adjusted Case Mix Index and Transfer Adjustments to Discharges for Hospital-Specific Rate Calculations

PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES	PROVIDER NUMBER	COST REPORTING PERIOD BEGIN	COST REPORTING PERIOD END	TRANSFER ADJUSTED CASE MIX INDEX	TRANSFER ADJUSTMENT TO DISCHARGES
520121	07/01/89	06/30/90	1.0430	0.9752	530018	07/01/89	06/30/90	1.1547	0.9551
520122	07/01/89	06/30/90	1.0418	0.9526	530019	07/01/89	06/30/90	0.8733	0.9825
520123	10/01/89	09/30/90	0.8809	0.9350	530022	07/01/89	06/30/90	1.0494	0.9448
520124	04/01/89	03/31/90	1.0976	0.9759	530023	01/01/90	12/31/90	0.8521	0.9774
520130	10/01/89	09/30/90	0.8883	0.9452	530024	01/01/90	12/31/90	0.9310	0.9299
520131	01/01/90	12/31/90	1.0863	0.9526	530025	07/01/89	06/30/90	1.1913	0.9859
520132	05/01/89	04/30/90	1.1217	0.9703	530026	07/01/89	06/30/90	1.0173	0.9780
520134	07/01/89	06/30/90	1.1615	0.9816	530027	07/01/89	06/30/90	0.9265	0.9421
520135	12/01/89	12/31/90	1.0101	0.9801	530029	07/01/89	06/30/90	0.9021	0.9639
520136	07/01/89	06/30/90	1.4228	0.9886	530031	07/01/89	06/30/90	0.8886	0.9708
520138	12/31/89	12/29/90	1.7275	0.9985	530032	01/01/90	12/31/90	1.2177	0.9694
520139	09/04/89	08/02/90	1.2418	0.9854	640001	10/01/89	09/30/90	0.9143	1.0000
520140	01/01/90	12/31/90	1.3268	0.9975	650001	10/01/89	09/30/90	1.1830	0.9988
520141	07/01/89	06/30/90	1.0545	0.9753	660001	10/01/89	09/30/90	1.0075	1.0000
520142	07/01/89	06/30/90	0.9382	0.9827					
520144	10/01/89	09/30/90	0.9862	0.9480					
520145	01/01/90	12/31/90	1.0121	0.9890					
520146	01/01/90	12/31/90	1.1350	0.9731					
520148	01/01/90	12/31/90	1.1310	0.8672					
520149	01/01/90	12/31/90	1.1214	0.9549					
520151	03/01/89	02/28/90	1.0439	0.9775					
520152	10/01/89	09/30/90	1.1278	0.9603					
520153	10/01/89	09/30/90	1.1136	0.9710					
520154	10/01/89	09/30/90	1.1240	0.9726					
520156	01/01/90	12/31/90	1.0663	0.9699					
520157	01/01/90	12/31/90	1.0571	0.9583					
520159	04/01/89	03/31/90	0.9141	0.9550					
520160	01/01/90	12/31/90	1.7242	0.9969					
520161	04/01/89	03/31/90	1.1270	0.9576					
520170	07/01/89	06/30/90	1.2284	0.9863					
520171	01/01/90	12/31/90	0.9975	0.9809					
520173	10/01/89	09/30/90	1.0716	0.9830					
520174	01/01/90	12/31/90	1.4046	0.9891					
520176	07/01/89	06/30/90	0.8395	0.9952					
520177	01/01/90	12/31/90	1.4268	0.9818					
520178	07/01/89	06/30/90	1.1754	0.9647					
520180	07/01/89	06/30/90	0.7023	1.0000					
530001	06/01/89	05/31/90	1.2770	0.9939					
530002	07/01/89	06/30/90	1.2059	0.9589					
530003	07/01/89	06/30/90	0.9497	0.9659					
530004	07/01/89	06/30/90	1.0051	0.9750					
530005	07/01/89	06/30/90	0.9886	1.0000					
530006	07/01/89	06/30/90	1.0993	0.9858					
530007	07/01/89	06/30/90	1.0458	0.9143					
530008	01/01/90	12/31/90	1.0839	0.9822					
530009	07/01/89	06/30/90	0.9294	0.9710					
530010	01/01/90	12/31/90	1.1664	0.9946					
530011	07/01/89	06/30/90	1.1632	0.9672					
530012	07/01/89	06/30/90	1.6006	0.9975					
530014	07/01/89	06/30/90	1.1348	0.9952					
530015	07/01/89	06/30/90	1.1042	0.9522					
530016	07/01/89	06/30/90	1.1443	0.9972					
530017	07/01/89	06/30/90	0.9866	0.9687					

BILLING CODE 4120-03-C

### Appendix A: Description of the Capital Acquisition Model and Budget Neutrality Adjustment

Section 1886(g)(1) of the Act (as amended by section 4001 of Public Law 101-508) requires that for FY 1992 through FY 1995 aggregate prospective payments for operating costs under section 1886(d) and prospective payments for capital costs under section 1886(g)(1) of the Act be reduced each year in a manner that results in savings equal to 10 percent of the amount that would have been payable on a reasonable cost basis for capital-related costs in that year. We have decided to generate the 10 percent savings entirely from the capital prospective payment system so that for purposes of budget neutrality the capital payments for FY 1992 through FY 1995 would approximately equal 90 percent of Medicare inpatient capital costs.

To calculate budget neutrality, the hold-harmless provision of this proposed regulation requires that we identify old and new capital; that is, we must be able to project the rate at which old capital will be depreciated and written off and at which new capital will be acquired and depreciated. (Old capital costs are depreciation, lease, interest expenses, and other capital-related costs as defined in section IV.B. Step 2 above that are in use or obligated on or before December 31, 1990.)

The capital amounts reported on the Medicare cost report as well as the amounts reported through other systems such as the American Hospital Association panel survey are composed of depreciation and interest amounts for assets acquired over many different years. The amounts on the Medicare cost reports also include capital-related costs such as insurance, leases, and taxes. We have no source of data available to disaggregate the composite capital amounts into old and new capital. If we had capital asset acquisitions by year, and by hospital, we could develop depreciation schedules to allocate capital amounts over the useful lives of the assets. Given a sequence of depreciation expenses over time, it is possible to estimate a reasonable sequence of capital acquisitions that reproduce the sequence of depreciation expenses. Because of inflation in capital, capital acquisitions in recent years have more weight in current depreciation expenses than capital assets acquired long ago. Consequently, capital expenses that are generated using our actuarial capital acquisition model are not overly sensitive to the assumptions used to estimate capital acquisitions for the

distant past since the very old capital is so much smaller than recent capital and has little effect on depreciation.

We needed to model a series of capital asset acquisitions to develop depreciation schedules and to separate capital amounts into "new" and "old" capital. We needed the following outputs from the model to estimate payments under the proposed regulation, and to set budget neutrality:

- "Old" capital depreciation, leases, and interest.
- "New" capital depreciation, leases, and interest.
- Other capital expenses (for example, taxes and insurance).
- "Medicare share" of the capital expenses listed above.
- Occupancy rate.
- Payment parameters (for example, case-mix, indirect medical education, and geographic adjustment factors).

The basic variables generated by the model are bed size and capital acquisitions. Since we needed to develop depreciation expenses, we needed to develop a pattern of capital acquisitions in the past. We chose a 25 year average useful life for fixed assets and a 7 year average useful life for movable assets. The chosen useful lives are a reasonable average based on the expected useful lives of the assets (as contained in the AHA guide for asset lifetimes) involved in the fixed and movable categories. We needed to match the generated depreciation expenses to the expenses reported by the AHA panel survey. The more years for which depreciation expenses can be matched, the better the modeled capital acquisition sequence will be. We decided to match depreciation expenses back to 1980, and all later years. To compute depreciation for fixed assets in 1980, we needed capital acquisitions for 25 years before 1980, that is, since 1956. (We also need capital acquisitions going back even farther in order to test the sensitivity of the lifetime assumptions.)

Capital asset acquisition costs going back into the 1940's are not available. We needed a way to develop acquisition costs using patterns found in the Medicare cost reports. Using data from cost reports for the first six years of the prospective payment system, we examined the growth in gross assets to find any patterns. We found that most hospitals had very low rates of growth, while a few hospitals had high rates of growth. We also found that the rate of growth in one year is generally independent of the rate of growth in the prior year. The one year rate of growth distribution fit the gamma distribution very closely both for fixed and movable

capital. The gamma distribution fit the movable asset increases if hospitals without movable asset increases were removed from the fit. Consequently, the growth in movable assets had to be handled in two parts. We assumed 30.16 percent of hospitals would have no increase in movable assets in a year, while the remaining 69.84 percent of hospitals would have movable increases assigned from the gamma distribution. We then randomly generated numbers from the gamma distribution and multiplied them to generate 2 year, 3 year, 4 year, and 5 year rates of increase in capital costs. We compared these rates of increases to the corresponding increases in the cost report data. The increased distributions matched closely as shown in Figure 1 for fixed assets, and in Figure 2 for movable assets. Since the gamma distribution described the growth in capital so well, we used the gamma distribution as the foundation of the capital model.

It appears that we are using a random process to describe events which occur because of deliberate decisions on the part of hospital managers. Even though each event is very deliberate, it appears to be random when compared to the aggregate, and over time. Statistics and Monte Carlo simulations are used to describe and model many such situations with success. Often, it is the only way to make sense of many situations. This model is a legitimate use of these techniques.

Since many people claim the existence of a capital cycle, we looked for a capital cycle in the Medicare hospital cost report data. We found no regular, recurring capital cycle in the data, but we found that randomly generated numbers from the gamma distribution would produce capital cycles, but in an irregular pattern. The irregular patterns better describe actual capital growth patterns because of differences among hospitals, and because of differences in capital acquisitions over time. Figure 3 shows an example of how numbers generated from the gamma distribution produce a cycle effect.

We have found through regression analysis that other factors such as the number of physicians per capita, the percent of physicians that are specialists, the county per capital income, the percent of population with health insurance, and the number of hospitals in the county have a major effect on hospital capital costs. These findings imply that a hospital's position in the "capital cycle" does not explain all of the capital variation, and that

major differences in capital costs among hospitals persist over time.

Since capital levels vary with bed size, especially between large (100 or more beds) and small (less than 100 beds) hospitals, the model needed to adjust for bed size. Further, bed size changes imply changes in capital acquisitions. Even though hospital bed size is available from the hospital cost report, we needed bed sizes, and changes in bed size going back to the 1940's. We found that bed size frequently changed by small amounts for many hospitals. We determined that these small changes and their effect on capital were immaterial, and that only significant bed size changes should result in changes in capital. For these reasons, we decided to randomly model bed size for hospitals. The initial bed size was developed from the cost report data and it also very closely fit a gamma distribution. Since the average bed size has not changed significantly, and because of low average occupancy, we do not expect average bed size to change. For this reason, the model had to balance bed size increases with bed size decreases. In modeling bed size changes, two conditions had to be met. First, the changes had to be significant. We chose a minimum change of plus or minus 15 percent. We used a normal distribution which was split and separated to assign the rate of bed size change. (See Figure 4) This was done by randomly generating a number from the normal distribution and, if it was positive, by adding .15, or if it was negative, by subtracting .15 to assign the rate of change in bed size. Second, bed size changes must be relatively infrequent. We expect that most hospitals should not have more than two significant bed size changes in 35 years. A 2 percent probability of bed size change in any one year satisfies this condition.

The basic projection unit of the model is capital asset acquisitions per bed. The hospital bed is the fundamental unit of capacity in the hospital. Other measurement units of capital such as capital per hospital, or capital per admission are less appropriate because these amounts are dependent on bed size or occupancy rates. For a hospital assumed to increase bed size, we attributed capital to the new beds at the same level as the old beds (no change in capital per bed). For a hospital assumed to decrease bed size, we adjusted the capital per bed to ensure that the aggregate capital for the hospital did not change. We did this because the hospital had already acquired capital assets that had to be depreciated.

At this point we can describe how the model develops depreciation costs per bed and how these depreciation costs are calibrated. Bed sizes are first developed. We found from the hospital cost reports that the distribution of bed size among hospitals fits the gamma distribution. We initially had to develop bed size numbers for 1940. We generated these numbers from the gamma distribution. We did this for 6,000 hospitals. We assigned changes in bed size for all subsequent years using the procedure described above. We compared the average bed size for 1989 with the average bed size in the cost reports from cost reporting periods beginning in FY 1989. If the bed size numbers did not match, we multiplied all the bed sizes by the ratio of the two averages so that the correct average bed size was generated. Next, we generated gross capital assets in 1940 separately for fixed and moveable capital. We found that the distribution of asset amounts also fit a gamma distribution for both fixed and moveable capital. For all subsequent years, we computed increases in capital assets from random gamma distributions as described above. Once the capital increases are computed, we have the new acquisitions for each year. Using the capital acquisitions, we computed straight line depreciation for each year starting with 1980 (25 years for fixed, and 7 years for moveable). We compared the modeled 1980 depreciation with the 1980 depreciation reported in the AHA panel survey. We used a fixed-moveable split developed from the Medicare hospital cost reports. If the numbers differed, we multiplied all generated capital acquisition amounts by the ratio of the AHA depreciation to the generated depreciation. At this point the model is calibrated to 1980. For 1981, the capital acquisition amounts for 1981 were adjusted so that when 1981 depreciation is computed, it matches the AHA panel survey depreciation. All subsequent years were adjusted in the same way. At this point, the model has been calibrated for depreciation.

Interest amounts were computed by initially assuming that all new acquisitions would be financed 100 percent by the amortization method. Doing this, we found that the interest was about double the interest report in the AHA panel survey. Since all hospitals do not finance 100 percent of capital, we adjusted the interest as follows. First we shortened the financing period for fixed assets to 18 years and for moveable assets to 5 years. Even after shortening the financing period, the level of modeled interest was still too

high. Financing 62.5 percent of capital gave the correct ratio of interest to depreciation. A particular hospital is modeled to finance a fixed percent of its capital. This percentage is randomly chosen from a continuous distribution of numbers from zero to one where the probability density is shown as follows.

Financial percentage	Density
0.00-0.45.....	0.67
0.45-0.95.....	1.33
0.95-1.00.....	0.67

The use of a humped distribution assigns a greater probability for financing percentages in the 45 to 95 percent range than in other ranges. This assumes that some hospitals finance almost all capital, some almost none of their capital, and some part of their capital.

At this point, we developed total capital costs per bed. Since Medicare does not identify separately other capital costs such as rent, leases, insurance, and taxes, we had to assign these amounts. We analyzed the capital expenses reported on the Medicare cost reports and found that the other capital cost categories represent about 20 percent of capital. Since leases qualify for hold harmless payments in the final rule, we decided to include leases with depreciation and interest. Since leases are a "substitute" for depreciation and interest, and since the cost behavior of a lease in its early years corresponds somewhat closely with depreciation and interest costs, we consider this suitable treatment for incorporating leases into the model. Since leases are a major portion of other capital, removing leases for modelling purposes left only insurance and taxes in the other capital category. Consequently, we are treating other capital as 5 percent of total capital. To incorporate other capital into the model, we reduced depreciation and interest for each hospital by 5 percent and assigned the residual to the other capital category. This automatically folds leases into depreciation and interest.

We needed to convert the capital per bed costs to capital per Medicare admission costs since we pay on this basis. The average capital cost per admission that is developed must match actual Medicare average cost per admission (before legislated reductions). Dividing Medicare capital cost per admission by the developed average capital cost per bed gives the correct conversion factor which automatically takes several factors into consideration such as average occupancy rate, length<sup>11</sup>

of stay, and cost allocation rules. The average occupancy rate is 63 percent, but varies among hospitals. The conversion factor has the 63 percent occupancy rate built-in, but the occupancy rate varies among hospitals which directly affects capital per admission. We looked at distributions of occupancy rates, separately for large and small hospitals, and we were able to satisfactorily fit them to triangular distributions. In the triangular distribution, the probability density is zero at a minimum occupancy rate, and uniformly rises to a maximum density at an intermediate occupancy rate and then uniformly falls to zero density at a maximum occupancy rate. Even though the actual curve for occupancy rates is rounded, it fit the triangular distribution fairly well and facilitated the generation of random numbers. Each hospital was randomly assigned an occupancy rate which was divided into the average occupancy rate (which differs for small or large hospitals) and then multiplied by the capital cost per admission to get the final capital per admission cost.

At this point, the model has completely estimated capital cost per admission for each hospital. To be useful, the estimates must meet the following conditions. First, the model's estimation of aggregate capital expenditures must reproduce capital expenditures that occurred historically. Second, the model must reproduce the interest-depreciation split that occurred historically, and the fixed-moveable split that occurred historically. Third, the model should reflect differences between large and small hospitals in capital expenditures. Fourth, the model must allocate capital between old and new capital cost categories consistent with the definition in this proposed rule. All of these requirements have been met specifically by the design of the model. The last requirement is that the model should reproduce the actual distribution of Medicare capital costs for hospitals. We compared the estimated Medicare costs per admission distributions for FY 1984 through FY 1989 with the distributions in the corresponding 1984 through FY 1989 cost reports. The distributions were remarkably close. It is remarkable that this was achieved by running the model with all its random simulations for all the years 1984 through 1989 and with all the other adjustments described above. It should also be noted that the model tracked the changes in the shapes of the distributions over the years. The comparison of the distributions is shown in figure 5. We consider these fits fully adequate for modelling and budget

neutrality purposes. It is not appropriate to use traditional statistical tests, such as the Chi square test, to test the model since the data (the cost reports) are not compared to a particular definitive distribution, but to a statistical simulation.

To determine budget neutrality, we must model payments under the cost reimbursement system, as well as payments under the proposed prospective payment system. The model has already determined capital costs, so payments under the cost reimbursement system are readily available. The model does not have the characteristics that are factors in the capital payment system. In fact, the model does not specifically identify any hospital. Consequently, in order to model payments under the final rule, the payment parameters (case mix, geographic adjustment factor, cost of living adjustment, large urban add-on, outlier adjustment, disproportionate share adjustment, indirect medical education, and special exceptions treatment for qualifying disproportionate share hospitals and sole community hospitals) must be assigned to the generated hospitals. Urban-rural status also must be assigned since it affects some of the payment parameters. The urban-rural status was assigned from the uniform distribution. We also had to assign an obligation date for capital that comes on line after 1990 to determine qualification for hold harmless payments.

We assumed that because of the multi-year nature of fixed capital, that most of the fixed assets that come on line by FY 1992 were obligated on or before the end of December 31, 1990. We assumed that all of the fixed assets that come on line in FY 1991, and 95 percent of the fixed assets that come on line in FY 1992 qualify for hold harmless payments. Since moveable capital has a shorter lead time we assumed that half of the moveable assets that come on line in FY 1991, and none of the moveable assets that come on line in FY 1992 qualify for hold-harmless payments. We randomly assigned a number uniformly between zero and one to a hospital. If the random number was less than 0.05, then that hospital's fixed assets that come on line in FY 1992 and all later years are assumed to have been obligated after calendar year 1990, do not qualify for hold-harmless payments; hence, they are considered "new" capital. If the random number was less than 0.5, then all of the moveable equipment that comes on line in FY 1991 and later was obligated after December 31, 1990 and does not qualify for hold-

harmless payments. No moveable capital that comes on line in FY 1992 is assumed to qualify for hold-harmless payments for any hospital.

We analyzed the payment parameters (geographic adjustment factor, cost of living adjustment, large urban adjustment, indirect teaching adjustment, disproportionate share adjustment, outlier adjustment, and sole community status) as assigned to specific hospitals. We combined the adjustment factors for each hospital before fitting a random distribution to the adjustments. We found differences among large urban, other urban, and rural hospitals. We also found differences between large and small hospitals. The combined adjustment factors fit the gamma distribution and we developed fits for urban and rural locations, and small and large hospitals. We assigned numbers from the gamma distribution for the payment parameters. Since the gamma distribution is an open-ended distribution, it is possible, but unlikely, that unreasonable values could be assigned. If a randomly generated number was outside reasonable bounds, the mean of the distribution was substituted. Large urban hospitals had an average adjustment factor larger than the adjustment factor for other urban hospitals so this difference was also maintained. Because the payment parameters are generated by a random process, it is likely that the mean of the payment parameters will differ from the actual mean. After generating the payment parameters, we adjusted all the assigned parameters so that the mean of the generated parameters equals the actual mean. We also had to model the disproportionate share patient percentages to determine which hospitals qualify for more generous exceptions payments. Sole community hospitals were also randomly assigned from the uniform distribution.

We looked at case mix over time, and compared it to bed size and occupancy rate. We found a correlation to bed size and occupancy rates. We also found that the regression parameters on bed size and occupancy rates varied linearly with time. The variance of case mix standardized for bed size and occupancy rates increases over time. Case mix was assigned by first calculating the mean case mix for the bed size and occupancy rate of the hospital based on the regression parameters. Next, a random number from the normal distribution was added to the mean number to assign a case mix. The mean case mix is projected to increase by two percent per year. The effects of case-mix change are already

included in the capital cost per admission projections. Since we are modeling payments that must be budget neutral to costs, all case-mix changes must be considered in the budget neutrality calculation, regardless of the reason. We have monitored case-mix changes since the beginning of PPS. Total case mix levels have increased about two percent every year after correcting for the unusually high increase in FY 1988 and the DRG relative weight adjustment in FY 1990. We project that case mix will continue to increase at the rate of two percent per year.

Budget neutrality is computed by comparing modeled prospective payments with 90 percent of modeled cost. The budget neutrality factor is applied to the Federal and hospital-specific rates, but not to the hold-harmless payments.

Exceptions will be financed from the prospective payments. Consequently, we need to compute a second factor to apply to the hospital-specific and Federal rates. This factor should ensure that aggregate prospective payments including exceptions payments would be the same as aggregate prospective payments in the absence of an exceptions process. Since changes in the level of the payment rates change the level of exceptions, the budget neutrality and exceptions adjustment factors must be determined by repeated trials. Further, these two factors interact with each other so that they must be determined simultaneously. We successfully determined values for these factors so that the exceptions adjustments are correct and estimated payments under the capital prospective payment system equal 90 percent of estimated Medicare inpatient capital costs.

#### Sensitivity Analysis of the Model

Because of the complexity of the model, it is useful to test the sensitivity of the model to various assumptions. We tested the sensitivity of the model to assumptions on the qualification of capital for hold-harmless payments (old versus new capital), the magnitude of other capital costs, the lifetime of assets, and interest rates. We also tested the model using different sets of random numbers. Each assumption was tested with all other assumptions unchanged. We measured the change in payments in FY 1992 using the payment rates and budget neutrality factors in this notice.

The model is particularly sensitive to assumptions on the qualification of capital for hold-harmless payments. This sensitivity is really a function of the payment provisions of this

regulation. Consequently, the reasonableness of these particular assumptions is important. We assumed that 5 percent of fixed assets put on line in FY 1992 would be considered new capital. We also assumed that 50 percent of movable assets put on line in FY 1991 and all movable assets put on line in FY 1992 would be new capital. If we assumed that no capital (fixed or movable) would be considered new capital in FY 1992, then payments would increase 3.8 percent. If, conversely, we assumed that new capital would be double, that is, 10 percent of fixed assets coming on line in FY 1992, and 100 percent of movable assets coming on line in FY 1991 and FY 1992 would be new capital, then outlays would decrease by 0.8 percent. Considering the long lead time for fixed assets, and the short lead time for movable assets, we consider our assumptions to be reasonable.

We assumed that the other capital category, capital related costs that are not depreciation, interest, or leases, is 5 percent of capital. If we assumed that other capital is 10 percent of total capital, then payments would decrease by 0.6 percent. The model is not very sensitive to reasonable values of this assumption.

We assumed that the depreciable lifetime of fixed assets is 25 years, and for movable assets is 7 years. If we assume that fixed assets have a depreciable lifetime of 30 years and movable 8 years, payments would increase 0.4 percent. The model is not very sensitive to reasonable lifetime assumptions.

We used an interest rate of 8 percent as the financing assumption. If the interest rate is 6 percent, payments would decrease 0.3 percent. If the interest rate is 10 percent payments would increase 0.4 percent. The model is not very sensitive to reasonable interest rates.

In considering interest and lifetime assumptions, the relationship between interest and depreciation must correspond to the same relationship in actual data. Since these relationships must be preserved, and since capital payments are a combination of depreciation and interest for many years of acquisitions, the effect of interest and lifetime assumptions on costs is diluted. The important number to model is combined capital-related costs since that is what we pay for. If the aggregate amount is correct for old or new capital, but the components differ, there is no effect on the results of the model.

Since the model is based on the generation of random numbers, we tested the model with different sets of

random numbers. Because of the size of the model, it is divided into two parts. The first part models costs. The output of the first part is fed into the second part; which models the payment parameters, budget neutrality, and impacts. We tested different random numbers in each part separately. Four separate sets of random numbers in the first part yielded changes in payments of  $-0.02$ ,  $+0.08$ ,  $+0.14$ , and  $+0.19$  percent. Four separate sets of random numbers in the second part yielded changes in payments of  $-0.09$ ,  $-0.04$ ,  $+0.08$ , and  $+0.44$  percent. The model is not very sensitive to the random numbers it uses. It should be pointed out that budget neutrality is set within the ranges of random number outcomes.

To summarize, the model is not very sensitive to the assumptions except for the rate at which new capital is defined. The sensitivity to the definition of new capital is really a function of the payment provisions in this notice and shows that the model properly reflects this sensitivity. In simulations where payments increased, the budget neutrality adjustment would be presumed to be too high. Conversely, in simulations where payments decreased, budget neutrality would be presumed to be too low. The change would not be proportional because of the interactive effect of the payment policies.

This description pertains to the actuarial model used to determine payments in this final rule. A number of refinements were made in the model that was used in the proposed rule. Following are comments that we received on the actuarial model in the proposed rule and our responses to those comments.

*Comment:* One commenter stated that the technique of using the ratio of accumulated depreciation to current depreciation to determine asset age is seriously flawed. The commenter asserts that by using this technique in the capital acquisition model we are understating the age of "old capital", and that we are underestimating near term future capital needs.

*Response:* We did not use the ratio method in determining the capital acquisition model. The model looks at patterns of gross asset acquisition and does not consider asset age in modelling new acquisitions. We did calculate asset age in the model with the ratio technique as a check against asset age calculated from the cost reports in the same manner. Since the ages computed from the model and the cost reports were derived in a consistent manner, it is a valid way to check the performance of the model.



*Comment:* We received comments that the model for budget neutrality is too complex and cannot be comprehended or verified.

*Response:* We agree that the model is complex because the analysis of capital cost patterns is complex. Actually, for those familiar with statistics and how they can be used to solve and analyze problems, the model is fundamentally simple. Complexity sets in when all the behavioral elements of capital such as depreciation and interest schedules are combined together with other characteristics that affect cost allocation such as number of admissions, occupancy rates, and acquisition of new capital. To put it another way, the model is complex because of the interaction of many small details.

Further, the model is complex because of the nature of the payment provisions. Because of the differing ways hospitals can be paid, the model must handle each of these differing payment methods and apply them as appropriate.

*Comment:* We received allegations that the model cannot reproduce historical capital and that the model is not valid.

*Response:* This model was constructed to create detailed information with given aggregate information. In this respect, the model must reproduce the aggregate information (either historical, or projected). Consequently, the model was specifically designed to reproduce aggregate information. The random simulation techniques of the model are used to construct the detailed information necessary to set the budget neutrality rates. We consider this a legitimate technique. In fact, the model not only reproduced historical capital amounts and projected amounts, it also reproduced the distribution of Medicare inpatient capital cost per case for the most recent six years of cost report data and changed the shape of the modeled distribution as the shape of the actual distribution changed over the years.

*Comment:* Some commenters fear that the model is so complex that, in the event that we find necessary changes to make in payments, the whole system could look very different after the adjustment.

*Response:* The model is necessarily complex so that it can properly implement the provisions of the prospective capital payment system. If payments are sensitive to a particular payment provision, then we agree that the model would react accordingly to the payment provision, and that the whole system could look different. In fact, the model showed that payments for capital are sensitive to the policy

definition of capital costs that qualify for hold-harmless payments. Since we are adopting a more liberal definition of capital qualifying for hold harmless payments in this final rule, the model appropriately set the budget neutrality level to reflect the change. The system looks different because of the payment provisions, not because of some "quirks" in the model.

*Comment:* We received comments asserting that the model is too sensitive.

*Response:* As discussed above, we performed sensitivity analyses to measure the sensitivity of the model to changes in assumptions. We found that the model has the greatest sensitivity to the level of capital that qualifies for hold-harmless payments. Sensitivity to other assumptions was found to be minimal.

*Comment:* Many commenters stated that our interest rate assumption is too low. Some commenters said that interest costs will increase because of the prospective payment system for capital and that we should assume a higher interest rate.

*Response:* We modified our interest rate assumption as suggested by some of the commenters to 8.0 percent. We must point out that since we reimburse capital costs which includes both interest and depreciation, the total capital modeled for each hospital is the critical number, not its components. In fact, we found that the model is relatively insensitive to changes in the interest rate assumption of as much as 2 percent. We do not agree that there will necessarily be an induced increase in interest rates because of the implementation of capital prospective payments. Moreover, we are not incorporating any assumptions regarding behavioral changes into the model.

*Comment:* We received comments that our assumption that 50 percent of capital is financed is invalid.

*Response:* We needed to preserve the same ratio of depreciation to interest as is included in the AHA panel survey. When we modeled interest assuming 100 percent financing, the interest in the ratio was about double the value needed to reproduce the ratio in the AHA panel survey. In the proposed notice, that was the basis by which we assumed that half of capital would be financed. In this final notice we modified the interest model to shorten the financing period which allowed hospitals, on average, to finance somewhat over half of their capital. In the final analysis, we are paying for capital-related costs which includes both interest and depreciation. What matters is that model produces a good distribution of capital costs per

admission. The model is highly successful in this regard.

*Comment:* A commenter suggested that we use the AHA guide for asset lifetimes in the model. Several commenters stated that our assumed lifetimes in the model are too short.

*Response:* We consulted the AHA guide in determining the lifetimes we used in the model. We chose the average useful life of 25 years for fixed assets and 7 years for moveable assets by looking at the mix of assets and their suggested lifetimes. In the case of fixed assets, buildings may have a lifetime of up to 40 years, but many of the equipment items in the building would have a considerably shorter lifetime. Consequently, an average lifetime of 40 years for fixed equipment would be unreasonable. We did test the model with somewhat longer lifetimes and found that the modeled payments changed very little.

*Comment:* A commenter requested that we make the actuarial model available for outside analysis and comment.

*Response:* The model is integrated from several data sources and assumptions. It requires intimate knowledge of all these sources and their interactions to successfully perform any meaningful analysis. Further, the model contains provisions for evaluating other options which are predecisional in nature and which are not subject to release, even under a Freedom of Information Act request. We provided detailed information regarding the model used in the proposed rule including the shape parameters and scaling factors generated from the GAMMA distributions and will continue to make this type of information available upon request. It has been our policy not to release models and accompanying code. Since we have cooperated in providing information from the model, and have described it in the February 28, 1991 capital proposed rule and in this final rule, we see no need to release the model and its code and do not intend to do so.

In response to requests by several commenters, we are publishing the estimated payment factors generated by the model to determine payments through FY 1996. We caution that, except with respect to FY 1992, these are estimates only and are subject to revisions resulting from continued methodological refinements, more recent data, and any payment policy changes that may occur. The projections are as follows:

Fiscal year	Increase in cost per discharge	Update factor	Exceptions reduction factor	Budget neutrality factor	Federal rate (after outlier reduction)
1992	10.04	N/A	.9813	.9602	415.59
1993	10.87	1.0597	.9605	.9582	430.17
1994	10.75	1.0704	.9346	.9506	444.48
1995	10.71	1.0786	.9067	.9621	470.74
1996	10.68	1.0828	.9000	N/A	525.90

<sup>1</sup> Note: Adjusted for estimated 2.0 percent increase in case-mix index.

It has been our policy not to release models and accompanying codes. Since we have provided information from the model, and have described it in the February 28, 1991 capital proposed rule and in the final rule, we see no need to release the model and its code.

#### **Appendix B: Preliminary Discussion of Update Framework for Prospective Payment System for Inpatient Hospital Capital-Related Costs**

##### **A. Preliminary Discussion of Update Framework for Medicare Prospective Payment System Capital Payments, 1996**

For cost reporting periods beginning before October 1, 1996, the update factor for the prospective payment rate for capital-related expenses will be based on a 2-year moving average of actual increases in Medicare inpatient capital costs per case. Beginning in FY 1996, we will determine the rate of increase in the capital-related payment rate using an analytical framework that will take into account (1) changes in the price of capital (which we will incorporate in a capital market basket) and (2) appropriate changes in capital requirements resulting from new technologies, diffusion of existing technologies, and other factors. The objective of the framework is to provide a rate of increase in the aggregate capital-related payment rate which, along with a rate of increase in DRG payment rates, ensures a joint flow of capital and operating services for efficient and effective care for Medicare patients.

Although the use of the analytical update framework will not affect aggregate program payments through FY 1995, we intend to publish in the *Federal Register* an update framework well in advance of its application. In next year's notice of proposed rulemaking, we will provide an empirical example for FY 1993 using available data and concepts. The empirical example will demonstrate the consistency and relationships of the framework with the historical trends in operating and capital-related costs through 1990 and with the budget neutral update for FY 1993. In following notices for FY 1994 and FY 1995, we will provide successively improved

framework empirical examples. In these interim periods, we will be soliciting comments on the framework methodology and its application and recommendations to improve it. For cost report years beginning in FY 1996, the framework will be implemented based on an evaluation of improved conceptual and empirical foundations.

##### **B. Changes in Prospective Payment for Capital-Related Costs**

A change in the aggregate prospective capital payment rate per case in any particular year is conceptually the product of changes in two implied factors: a price factor (represented by the average price per unit of real capital stock where the weighted price is defined by unit prices for depreciation, unit prices for interest rates, and unit prices for other capital-related factors including leasing costs, capital-related taxes and capital-related insurance) and a residual quantity factor (represented by the change in the average amount of real capital stock per DRG case). Therefore an appropriate framework for updating the capital-related payment from a base year, that is, the last year for which a relatively complete cost report data set exists, to the update target year must consider expected changes in the average price per unit of real capital stock (that is, expected changes in a capital market basket) between the end of the base year and the update target year and changes in real capital stock per DRG case, including changes induced by case mix variation.

Hospital financing and capital-related payments are inherently technical subjects that are best illustrated through a combination of conceptual and empirical analysis. Since we have not yet completed our empirical analysis, we will present the general logic for our conceptual framework. Due to the inherent technical nature of the subject, our discussion below is primarily for specialists in the area of hospital finance and capital payments. We present it in order to solicit comments and suggestions for improvement.

##### **C. Changes in Real Capital Stock**

To estimate the projected change in the amount of average real capital stock per DRG case, we propose to estimate two quantities, the average real (that is, constant dollar) capital stock per DRG case, after depreciation, in the base year and the expected average amount of real capital stock per DRG case, after depreciation, in the target year. To estimate real capital stock after depreciation, it is necessary to first estimate real capital stock before depreciation and then to subtract an amount depreciated.

To estimate the aggregate before-depreciation constant dollar value of capital stock still in use in the base period, we first deflate an individual hospital's nominal assets for two classes of capital, (1) Buildings and Fixed Equipment (BFE) and (2) Moveable Equipment (ME), by an average proxy purchase price appropriate for the class. The average purchase price for a class of the hospital's assets is determined by the average accounting age of the assets in the base year (in the absence of data on physical age). The average age of the assets in the base year is obtained by dividing the reported accumulated straight line depreciation amounts for a class of assets by the class's reported depreciation amount. We propose to use the Building Cost Index from Engineering News Record to represent the BFE purchase price and the Department of Labor's Producer Price Index for Machinery and Equipment to represent the purchase price of ME where both indexes will be standardized to 1987. Dividing the hospital's nominal assets by class by the appropriate purchase price index level thus yields a constant 1987 dollar value of the hospital's assets before depreciation in the base year. The constant dollar values for individual hospitals are then summed.

Since real capital stock is subject to physical depreciation, we propose to estimate the amount of real capital stock remaining at the end of the base year by applying a non-linear depreciation rate obtained for each class of hospital asset to the aggregate constant dollar value of

the stock before depreciation. We will use a "Beta Decay" non-linear depreciation rate devised for the hospital industry by the Bureau of Economic Analysis, Department of Commerce for each class of stock.

An analysis of constant dollar amounts, before and after depreciation, for two successive years, provides a measure of old stock depreciated in the second year, the amount of stock purchased in the second year, the proportion of newly purchased stock which represents replacement stock, and the proportion of newly purchased stock which represents the addition of new capital.

From an analysis of joint historical trends in the nominal and real operating and capital-related resource inputs, in depreciation of real capital stock and depreciated stock replacement patterns, and in the addition of new capital stock required to sustain adequate levels of patient care, including the purchase of new technology, we would project changes in total required capital stock in the target year, the amount of capital stock added in the target year, the amount of the capital stock added in the target year which represents replacement capital and the amount of capital stock added in the target year which represents new capital. The Medicare inpatient share of these changes is represented by any change in the proportion of capital costs allocated to Medicare inpatient costs divided by total capital costs where due consideration is given to any change in the Medicare DRG case mix structure by accounting for average case mix changes.

In order to determine the amounts of base year and target year real capital stock amounts, we will require an estimate of the amount of real capital which is leased. Until more complete information becomes available from new items on the Medicare cost report, it will be necessary to estimate the amount and the class of leased capital from reasonable assumptions about the age and depreciation amounts implicit in estimated leasing costs and from other incomplete information. Total real capital stock thus represents the sum of leased and owner-operated capital stock.

The primary purpose for estimating changes in Medicare inpatient share of capital stock is to ensure that a flow of capital services is available to Medicare patients which, along with a joint flow of operating services, is sufficient to sustain a high level of care. At this time little is known about the precise relationship between changes in the level of capital stock and changes in the

general flow of capital services produced from the capital stock. In the absence of such information, we have adopted an assumption that relative changes in the level of capital services are proportional to relative changes in the level of capital stock.

#### *D. Price per Unit of Capital Stock*

We shall refer to the price per unit of real capital stock as the capital market basket. The price per unit of real capital stock in the base year is the weighted sum of average depreciation unit prices, average interest unit prices, and average unit costs for all other capital-related expenses. Changes in the average price between the base year and the target year thus represent the sum of changes in each of these three components where each component is weighted by its relative importance. Each of the three unit costs change for different reasons:

- Depreciation unit prices vary because the average purchase price for each class of capital changes and because the mix of real capital, by class of capital, changes. The national average purchase price in the base year will be obtained for each asset class from the sum of individual hospital's purchase prices as imputed from appropriate price indexes (see our discussion in the prior section) weighted by the hospital's base year's before-depreciation constant dollar assets. The average depreciation unit price for all assets is the sum of each class's average purchase price weighted by the constant dollar amount for each class of asset in the base year.

Expected changes in depreciation unit prices in the target year will be estimated from projected changes in the capital structure and projected changes in purchase prices taking into account changing average purchase prices on old capital and average purchases prices for expected capital purchases in the target year.

- Average interest unit prices vary with the interest rate applicable to the stock purchases and the proportion of the stock purchases financed by long term debt. Interest rates vary with the type and the age of the loan instrument. Accordingly, we propose to derive changes in average interest unit prices from the base period from an analysis of purchase cost vintages, discussed in the prior section, and from proxy interest rates appropriate for the average age of the assets. We propose to use the AAA bond rate as a proxy interest rate measure for the proprietary hospital sector of long term debt and the municipal bond rate for the nonprofit and government sectors. Since mortgage costs are a significant proportion of long

term capital debt, we may treat these interest costs separately. The relative proportion of stock purchases financed by long term debt is available from a comparison of the liability and asset sections in the cost report. An historical analysis of this factor indicates that it contributes little to changes in average interest costs. An implied portion of the interest cost will represent leaser interest costs.

The change in average interest unit prices in the target period will be projected from a projection of the long term debt structure and from projected interest rates associated with components of the debt structure.

- Average unit prices for other capital-related expenses vary primarily with the base year price for capital-related taxes and insurance and with the base year overhead charges of capital leasers (we have considered the depreciation and interest expense of leasers previously). In the absence of a better measure, we have adopted the CPI rental rate as a proxy for this price change.

The expected change in the average capital price in the target year will be derived from changes in the average price proxies weighted by the expected proportions of depreciation amounts, interest amounts, and other capital-related cost amounts for the target year. Thus the proposed capital market basket is a Paasche index, in contrast to the Laspeyres operating cost index which uses fixed weights for the price proxies. We think this will give a fairer and more accurate indicator of average price changes.

#### *E. Alternative Measures of Price per Unit of Capital Stock*

For some purposes it may be necessary to separately consider capital-related unit prices for expected purchases of capital in the target year (that is, replacement and new capital) or for actual purchases in other periods of time which are subsets of the period of time considered for computation of the average prices in the base period. For the target year, changes in the expected purchase prices for the target year, class-weighted by the relative amounts of expected constant dollar value of capital stock purchased in the year, provides a price factor for the depreciation component; changes in expected interest rates weighted by the expected debt structure provides a price factor for the interest component; expected changes in costs per unit of other capital-related items provides a price factor for other miscellaneous expenses. These prices would be

combined into an overall price with relative depreciation, interest and other capital-related weights applicable to purchases in the target year only. We call this price the current year price change. Similarly, capital price changes for other time periods can be constructed using only those purchase prices, internal real asset weights, and external expense weights appropriate for the time period. The constant dollar stock applicable to the period would be derived as discussed in a prior section. Examples of possible market baskets thus include (1) the average price per unit of capital which considers all capital-related expenses incurred for past purchases of capital stock, (2) the current price per unit of capital, which considers capital-related expenses only for that portion of stock purchased in

the current year, and (3) the "new" price per unit of capital, which considers only that portion of capital-related expenses for that portion of stock purchased in cost report years beginning on or after January 1, 1991. The same principles would apply to the construction of market baskets by class of hospital.

*F. Changes in the Capital Prospective Payment Rate*

Changes in the prospective payment rate will be based on three factors, a projected rate change in real capital stock, a projected rate change in the Medicare inpatient share of real capital stock per DRG case, and a projected rate change in the average price per unit of real capital stock where the denominator of the rate is the capital prospective payment rate in the year

prior to the target year. We believe that this methodology incorporates three basic principles:

- It insures continuity between the budget neutral period 1992-1995 and the following update periods since the update factor would be applied to actual capital payments per DRG case in last budget neutral year;

- It insures that the projected changes in new capital and in replacement of old capital are explicitly considered in terms of the industry's capital needs;

- It insures that the average price paid on all capital stock in the target year represents a fair market price which accounts for all past purchases of existing stock as well as new stock purchased in the target year.

[FR Doc. 91-20779 Filed 8-29-91; 8:45 am]

BILLING CODE 4120-03-M

**Final Report**

---

**Friday  
August 30, 1991**

---

**Part VI**

**Department of  
Housing and Urban  
Development**

---

**Office of the Assistant Secretary for  
Community Planning and Development**

---

**Supplemental Assistance for Facilities To  
Assist the Homeless; Notice of Funding  
Availability for FY 1991**

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

### Office of the Assistant Secretary for Community Planning and Development

[Docket No. N-91-3288; FR-3094-N-01]

### NOFA for Supplemental Assistance for Facilities to Assist the Homeless

**AGENCY:** Office of the Assistant Secretary for Community Planning and Development, HUD.

**ACTION:** Notice of funding availability for fiscal year 1991.

**SUMMARY:** This NOFA announces the availability of \$11,263,000 in funds for assistance under the Supplemental Assistance for Facilities to Assist the Homeless (SAFAH) program. In the body of this document is information concerning eligible applicants and activities, the homeless population this year's program is intended to serve, application content and processing, and selection criteria.

**DATES:** Applications for SAFAH assistance must be received by 5:15 pm Eastern Time on October 31, 1991 at the address listed under Item II, below.

**FOR FURTHER INFORMATION CONTACT:** James N. Forsberg, Director, Office of Special Needs Assistance Programs, Department of Housing and Urban Development, room 7262, 451 Seventh Street SW., Washington, DC 20410; telephone (202) 708-4300 or, for hearing- and speech-impaired persons, (202) 708-2565. (These telephone numbers are not toll-free.)

#### SUPPLEMENTARY INFORMATION:

##### Paperwork Reduction Act Statement

The information collection requirements contained in this NOFA have been approved under the Paperwork Reduction Act of 1980 by the Office of Management and Budget (OMB), and have been assigned OMB control number 2506-0111, expiration date December 31, 1992.

#### I. Purpose and Substantive Description

##### (a) Authority

The assistance made available under this NOFA is authorized by title IV of the Stewart B. McKinney Homeless Assistance Act, as amended (42 U.S.C. 11381-11388), as implemented by HUD regulations at 24 CFR part 579 and supplemented by this NOFA. This NOFA also is implementing sections 106, 834(c), and 836 of the Cranston-Gonzalez National Affordable Housing Act (Pub. L. 101-625, enacted November 28, 1990). These statutory provisions

require that applicants for assistance under SAFAH certify that they will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence and treatment services and that SAFAH assistance may only be awarded to applicants that have a HUD approved Comprehensive Housing Affordability Strategy (CHAS).

##### (b) Allocation Amounts

This NOFA announces the availability of \$11,262,854 in funds appropriated by the HUD appropriations act for fiscal year 1991 (Pub. L. 101-507, enacted November 5, 1990) for grants to States for coordinated and comprehensive supportive services designed to enable homeless families with children currently living in transitional housing to achieve long-term self-sufficiency by obtaining and remaining in permanent housing. The maximum amount that an applicant may receive is \$1 million to be used over a three-year period. HUD reserves the right, however, to negotiate reductions in the amounts requested based on the overall demand for the funds.

##### (c) Eligibility

###### 1. Background

The purpose of this year's SAFAH competition is to encourage innovative approaches to assisting homeless families living in transitional housing to obtain permanent housing when they are ready to move to independent living and to learn more about the need for follow-up services to help these families adjust to their new environments.

Based on numerous comments from provider organizations on the McKinney Act's Transitional Housing program, HUD recognizes the importance of permanent housing resources when families are ready to move from transitional housing to greater independence. HUD is also aware that the abrupt cessation of all services upon departure from transitional housing can increase the risk of future homelessness. These conclusions are supported by two recent studies, *Homeless Families with Children: Programmatic Responses of Five Communities by Macro Systems, Inc.* and *Families on the Move: Breaking the Cycle of Homelessness by The Edna McConnell Clark Foundation*. Both studies recommend the provision of comprehensive and coordinated services for homeless families at the time they move to permanent housing to ensure that they are able to remain in their new permanent housing and become self-sufficient.

The Edna McConnell Clark Foundation study advocates a case management model which "is designed as a strictly time-limited intervention focused on the transition period following a move, a time when families are unfamiliar with their new surroundings and their lives are in a state of flux."

In addition to recommending case management, the Macro Systems' study of five communities also focuses on the problem of affordable housing: "Because rents are escalating and subsidized housing is in short supply, when families leave shelters or transitional housing \* \* \* they are often housed tenuously. In the long run \* \* \* this contributes to a repetitive cycle of individual and family homelessness." The study goes on to point out the need for communities to develop "innovative housing/support services collaborations" and to help families with "housing searches."

Therefore, HUD is seeking to fund with this year's SAFAH competition programs that contain the following major components:

a. The provision of supportive services to assist families in obtaining permanent housing and enabling them to achieve self-sufficiency. Such services would include, but not be limited to: Housing counseling, identification, referral, and the development of subsidy mechanisms; security deposits; first and last months rent (but not ongoing rental assistance); moving expenses; furnishings; employment training stipends; and child care. Such services are not to be merely a continuation of those provided in transitional housing but rather carefully tailored to address the problems encountered by families as they seek to achieve self-sufficiency in their new permanent housing surroundings.

b. Service coordination and case management to ensure that families moving into such housing receive those services appropriate to assist them in becoming adjusted to and able to function in their new environment.

c. The use of a formal State interagency coordination mechanism, either through the creation of a council or the official designation of a lead agency, as provided for in Section 210(b) of the McKinney Act, to facilitate the provision of resources to the program (especially permanent housing resources) from various State and local agencies and the effective coordination of such resources. SAFAH assistance may not be used to fund this coordination activity.

d. A rigorous program evaluation component to provide an ongoing

assessment of each family's progress toward achieving or maintaining self-sufficiency as well as data on the overall success of the program. The evaluation component may be funded from the five percent of the SAFAH assistance eligible to be used for grant administration.

## 2. Targeting of Competition

One important reason for HUD's decision to target the competition for this year's funding round to States with a focus on homeless families with children seeking to become self-sufficient was last year's experience where the availability of \$10.8 million resulted in the submission of nearly 400 applications, of which only 20 could be funded. Of more importance, however, was the desire to use effectively the small amount of SAFAH funds available to fund innovative approaches to meet the needs of families with children as they seek to live independently by obtaining and remaining in permanent housing. States, with their control over so many supportive service and housing resources, are in a strong position to develop programs which incorporate the components described above.

This year's SAFAH competition is, therefore, targeted in the following ways:

a. State governments are the eligible applicants and each State may submit one application, although several projects within the State may be proposed. By providing States with the opportunity to play the key role in this year's competition, the limited SAFAH funds available will be initially channeled to a level of government able to coordinate the housing and additional supportive service resources needed to make the program successful. At the same time, those other applicants previously eligible under SAFAH (nonprofit organizations and units of local government) will also be able to participate in the program, since States may and probably will contract with these entities to operate projects within the State.

b. The target population will be homeless families with children currently residing in transitional housing. Such housing need not be funded under HUD's Transitional Housing program as long as the facility provides comprehensive supportive services and is designed to move families to permanent housing and self-sufficiency. By focusing on this target group, SAFAH assistance will serve the dual purpose of providing much needed supportive services to families seeking to achieve or maintain self-sufficiency while at the same time furthering the

demonstration nature of the program, since the common experience of transitional housing shared by the participating families will enhance opportunities for learning.

c. The provision of coordinated and comprehensive supportive services to these families to enable them to obtain and remain in permanent housing is the eligible program activity and must be provided within a three-year period with a maximum of twelve months of supportive services to any one family to help the family adjust to its new environment. While supportive services to assist families in locating permanent housing will be provided while they are still living in transitional housing, other supportive services may not begin until a family has moved to permanent housing. The twelve-month time limit for this latter type of supportive service is, therefore, calculated from the day the family moves to permanent housing.

## (d) Selection Criteria

Applications will be scored and ranked, with a maximum of 1,000 points, based on four criteria. If the application contains several projects, the selection criteria will be applied to the application as a whole, rather than separately to each project. Since all applications must be targeted to homeless families with children, applications will not be rated on the criterion found at 24 CFR 579.215(b)(4), special homeless populations. The Department considers each of these criteria to be important and expects successful applicants to achieve points for each one. The four criteria are:

1. Innovation (300 points)—HUD will award up to 300 points based on the extent to which the applicant proposes a particularly innovative program designed to enable homeless families with children to make a successful transition to and maintain self-sufficiency. In assessing an application under this criterion, HUD will consider the degree to which the applicant demonstrates that its innovative approach holds the promise of realizing the goal of independent living for participants in the program. HUD will also assess the appropriateness and adequacy of the applicant's evaluation plan in relation to the innovative approach of the proposal and the demonstration purpose of this year's SAFAH competition.

2. Comprehensiveness (400 points)—HUD will award up to 400 points based on the comprehensiveness of the supportive services being provided. In assessing an application under this criterion, HUD will consider:

a. The extent to which the services to be provided with SAFAH assistance and other resources will enable the families to be served to obtain permanent housing and achieve self-sufficiency;

b. The extent to which the proposal reflects a clear understanding of the needs of homeless families with children currently residing in transitional housing and the extent to which the proposal addresses those needs; and

c. The extent to which the proposal is the result of coordinated efforts of the State and of members of the community where projects are located and represents a diversity of experience, broad-based and enduring community commitment, and access to resources.

3. Leveraging (200 points)—HUD will award up to 200 points based on the extent to which the applicant will leverage the amount of SAFAH assistance requested with resources, both cash and volunteer time, from other public and private sources.

4. Cost Effectiveness (100 points)—HUD will award up to 100 points based on the extent to which the applicant's proposed costs are reasonable in relation to the goods and services to be purchased and are effective in accomplishing the purposes of the proposal. HUD believes that cost effective approaches are important, but recognizes that such approaches can be difficult to measure. The allocation of only 100 points out of 1,000 for cost effectiveness reflects this difficulty, not a lack of emphasis on the importance of the criterion.

## II. Application Process

Each application must include all the information requested under Item III. below. There is no separate application package. Completed applications must be submitted to the following address: Department of Housing and Urban Development, Office of Community Planning and Development, Special Needs Assistance Programs, Room 7282, 451 Seventh Street SW, Washington, DC 20410, Attention: James N. Forsberg.

Only timely applications will be considered for funding. To be considered timely, an original and one copy of the application must be received by 5:15 pm Eastern Time on October 31, 1991. Applications received after this date and time will not be accepted even if postmarked by the deadline date. Faxed copies of the application will not be accepted.



### III. Application Submission Requirements

Each exhibit and its subparts must be clearly identified and the application assembled in the order listed below. After the entire application is assembled, (a) mark each exhibit with an appropriately numbered tab, (b) number every page of the application sequentially, and (c) develop a Table of Contents listing the appropriate page number for each exhibit. Both the SF-424 and the Certifications must be signed by the same official authorized to act on behalf of the State.

**Exhibit 1—SF-424, Application for Federal Assistance** (available from the Office of Special Needs Assistance Programs at the address and telephone number listed above).

**Exhibit 2—Narrative Summary.** Describe on not more than four double-spaced typed pages:

- a. The total amount of SAFAH assistance being requested;
- b. The number of families to be assisted over the life of the program with SAFAH and other resources to achieve the goal of maintaining self-sufficiency for homeless families with children as they leave transitional housing;
- c. The number of individual projects to be operated, the name and address of each project operator, the amount of SAFAH assistance proposed for each project, and the number of homeless families with children to be served at the point in time when each project is fully operational; and
- d. Significant features and particularly innovative or creative aspects of the proposed program.

**Exhibit 3—Description of Need.** Describe on not more than two double-spaced typed pages for each project:

- a. The reason why each project location(s) and project operator(s) were selected for participation in the program; and
- b. An estimate of the number of homeless families with children currently residing in transitional housing in each location and the basis or source used for making such estimates.

**Exhibit 4—Applicant Information.** Provide on not more than four double-spaced typed pages:

- a. A history of the State office that will administer the SAFAH assistance with particular attention to its experience in providing, or overseeing the provision of, services for the homeless;
- b. A description of the formal interagency coordination mechanism as provided for in section 210(b) of the McKinney Act, including a list of

member agencies and the name, address and title of the official heading this mechanism; and

c. Evidence of the State's commitment to alleviate poverty as required by Section 432(d)(1) of the Stewart B. McKinney Homeless Assistance Act, and (as required by section 432(b)(1) (A) and (B) of that Act) evidence that the State has made reasonable efforts to utilize all local resources available under the other provisions of Title IV of the Act.

**Exhibit 5—Program Plan.** Provide on not more than ten doubled-spaced typed pages a plan for:

- a. Determining how each homeless family with children is ready to participate in the program;
- b. Finding appropriate permanent housing for participating families, including a separate description (including the number) of housing units already committed to the program as well as of those expected to be committed;
- c. Ensuring the provision of coordinated and comprehensive supportive services, utilizing a case management model and designed to move participating families to self-sufficiency;
- d. Assimilating participating families into the community by helping them gain access to neighborhood activities, services, vocational training, education, and/or jobs;
- e. Developing individualized supportive service programs for participant families and for monitoring each family's progress toward achieving identified goals.

**Exhibit 6—Evaluation Plan.** Provide on not more than five double-spaced typed pages a plan for, at a minimum:

- a. Recording information on the characteristics of each participating family and the types of services the family receives;
- b. Following up with each family on an ongoing basis until at least one year after all supportive services have ended for that family to learn the degree of self-sufficiency achieved;
- c. Determining at least at the end of each operating year and at the conclusion of the program how well the program has met the goal of enabling homeless families with children to obtain and remain in permanent housing; and
- d. Making needed changes in the program in response to a., b., and c. above.

**Exhibit 7—Provision of Coordinated Supportive Services.** For each project, provide on not more than three double-spaced typed pages per service:

a. The amount of SAFAH funds and other funds for the service. (If the service being provided does not involve the expenditure of SAFAH funds or applicant or project operator funds, so indicate.);

b. A full description of the service, with special emphasis on how the service will contribute to the self-sufficiency of the participating families;

c. The site of the service, its proximity to the housing of the families participating in the program, and how they will have access to the service;

d. Identification of the proposed service(s) and a statement of the qualifications and experience of the provider(s) in delivering the service that will be provided;

e. The management and staffing plans of the provider(s), including the number and qualifications of professionals and volunteers, with respect to the service to be provided; and

f. A description of each State agency involved in the provision of the service, what it will contribute, and how its contribution will be coordinated with other providers of this service;

g. A description of how the service will be monitored and evaluated.

**Exhibit 8—Summary Budget.** Provide a total program budget, summarizing cash resources and expenditures for all proposed projects, year-by-year, for up to three years showing:

#### a. Resources

- (1) Total SAFAH assistance requested; and
- (2) Other cash resources, identifying source and amount of funds. (Such resources will be counted for purposes of the "leveraging" selection criterion only to the extent documented in accordance with Exhibit 10.)

#### b. Expenditures

- (1) Proposed SAFAH assistance and other expenditures for each supportive service to be provided;
- (2) Evaluation and grant administration costs (up to five percent of SAFAH assistance requested).

**Exhibit 9—Project Budgets.** For each proposed project, using the same format as the Summary Budget, provide a year-by-year cash budget for up to three years showing proposed SAFAH assistance and other cash resources allocated to the project and proposed SAFAH assistance and other expenditures for each supportive service to be provided for the project.

**Exhibit 10—Supporting Documentation for Cash Resources and Volunteer Time.** All documentation to support the cash resources listed in

Exhibit 8 and all documentation to support the volunteer time to be contributed as listed in Exhibit 7 must be included in this Exhibit.

#### a. Applicant Cash

An applicant or project operator committing its own funds must commit to a specific dollar amount in writing by an authorized representative of the entity with the authority to certify that such funds are committed to the program or project identified in the application. The approximate date the funds will be made available must also be indicated. If the project operator's commitment requires authorization by the Board, the project operator must submit a copy of the resolution making that commitment.

#### b. Third Party Cash

(Third parties include private, Federal, and local government sources)—If an applicant or project operator proposes to use funds from a grant or donation to pay for expenses associated with the proposed program or project, then the following documentation must be submitted for each grant or donation:

1. The name of the party making the grant or donation;
2. The dollar amount of the grant or donation;
3. A commitment letter from the third party stating that the funds have been granted or pledged; and
4. The approximate date the funds will be made available.

The third party commitment may be conditioned upon the receipt of SAFAH funds under this proposal; however, the commitment must not include any other conditions affecting the availability or provision of the grant or donation.

If it is not possible to obtain a firm letter of commitment, HUD will consider a letter from the third party containing the information in 1, 2, and 4 and (a) indicating why it is nearly assured that the applicant or project operator will receive the grant or donation, and (b) explaining why a firm commitment cannot be provided now and when it is anticipated that a firm commitment will be able to be made.

#### c. Volunteer Time

HUD will recognize time to be contributed to the project by volunteers at the value of \$5.00 per hour. To support the volunteer time to be used, provide the following information:

1. The name of the organization(s) providing the volunteers (in the case of individuals volunteering their time directly to the project operator, the project operator should list itself as the organization);

2. Written commitment from the organization(s) specifying the number of hours of volunteer time to be contributed; and

3. A summary of the total number of hours to be contributed, and the total value of those hours, calculated at \$5.00 per hour.

#### Exhibit 11—Certifications

The Applicant hereby assures and certifies that:

1. It will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d)) and regulations pursuant thereto (Title 24 CFR part I), which state that no person in the United States shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives financial assistance; and will immediately take any measures necessary to effectuate this agreement. With reference to the real property and structure(s) thereon which are provided or improved with the aid of Federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer, the transferee, for the period during which the real property and structure(s) are used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

It will comply with the Fair Housing Act (42 U.S.C. 3601–20), as amended, and with implementing regulations at 24 CFR part 100, which prohibit discrimination in housing on the basis of race, color, religion, sex, handicap, familial status or national origin, and administer its programs and activities relating to housing in a manner to affirmatively further fair housing.

It will comply with Executive Order 11063 on Equal Opportunity in Housing and with implementing regulations at 24 CFR part 107 which prohibit discrimination because of race, color, creed, sex or national origin in housing and related facilities provided with Federal financial assistance.

It will comply with Executive Order 11246 and all regulations pursuant thereto (42 CFR Chapter 60–1), which state that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of Federal contracts and shall take affirmative action to ensure equal employment opportunity. The applicant will incorporate, or cause to be incorporated, into any contract for construction work as defined in § 130.5 of HUD regulations the equal opportunity clause required by § 130.15(b) of the HUD regulations.

It will comply with section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701a), and regulations pursuant thereto (24 CFR part 135), which require that to the greatest extent feasible opportunities for training and employment be given lower-income residents of the project and contracts for work in connection with the project be awarded in substantial part to persons residing in the area of the project.

It will comply with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and with implementing regulations at 24 CFR Part 8, which prohibit discrimination based on handicap in Federally-assisted and conducted programs and activities.

It will comply with the Age Discrimination Act of 1975 (42 U.S.C. 6101–07), as amended, and implementing regulations at 24 CFR Part 146, which prohibit discrimination because of age in projects and activities receiving Federal financial assistance.

It will comply with Executive Orders 11625, 12432, and 12138, which state that program participants shall take affirmative action to encourage participation by businesses owned and operated by members of minority groups and women.

2. It will provide drug-free workplaces in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. 701) by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

- (b) Establishing an ongoing drug-free awareness program to inform employees about—

- (1) The dangers of drug abuse in the workplace;

- (2) The grantee's policy of maintaining a drug-free workplace;

- (3) Any available drug counseling, rehabilitation, and employee assistance programs; and

- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will

- (1) Abide by the terms of the statement; and

- (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

- (e) Notifying the agency in writing within each calendar days after receiving notice under subparagraph (d)(2) from employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted—

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f);

(h) Providing the street address, city, county, state, and zip code for the site or sites where the performance of work in connection with the grant will take place. For some applicants who have functions carried out by employees in several departments or offices, more than one location may need to be specified. It is further recognized that States and other applicants who become grantees may add or change sites as a result of changes to program activities during the course of grant-funded activities. Grantees, in such cases, are required to advise the HUD Field Office by submitting a revised "Place of Performance" form. The period covered by the certification extends until all funds under the specific grant have been expended.

3. It will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and the implementing regulations at 49 CFR Part 24.

4. It will comply with the requirements of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4821-4846, and implementing regulations at 24 CFR part 35.

5. The environmental effects of this application will be reviewed in accordance with the provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 (NEPA) and the related environmental laws and authorities listed in HUD's implementing regulations at 24 CFR part 58 as further defined at 24 CFR 579.220.

6. (a) No Federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is prerequisite for making or entering in this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and of more than \$100,000 for each such failure.

7. It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention treatment services.

8. It and its principals (see 24 CFR 24.105(p)) (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions (see 24 CFR 24.110) by a Federal department or agency; (b) have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in (b) of this certification; and (d) have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default. Where the applicant is unable to certify to any of the statements in this certification, such applicant shall attach an explanation behind this page.

Signature of Authorized Certifying Official

Title

X

Applicant Organization

Date Submitted

#### IV. Corrections to Deficient Applications:

(a) HUD will notify an applicant, in writing, of any curable technical deficiencies in the application. The applicant must submit corrections in accordance with the information specified in HUD's letter within 14 calendar days from the date of HUD's letter notifying the applicant of any such deficiency.

(b) Curable technical deficiencies relate to items that:

1. Are not necessary for HUD review under selection criteria/ranking factors; and

2. Cannot be submitted after the application due date has expired, to

improve the substantive quality of the proposal. An example of a technical deficiency would be the failure of an applicant to submit a certification with its proposal.

#### V. Other Matters:

##### (a) Environmental Impact

A Finding of No Significant Impact with respect to the environment has been made in accordance with HUD regulations at 24 CFR Part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969. The Finding is available for public inspection between 7:30 a.m. and 5:30 p.m. weekdays in the Office of the Rules Docket Clerk, Office of the General Counsel, Department of Housing and Urban Development, room 10276, 451 Seventh Street SW., Washington, DC 20410.

##### (b) Federalism Executive Order

The General Counsel has determined, as the Designated Official for HUD under section 6(a) of Executive Order 12612, *Federalism*, that the policies contained in this NOFA do not have federalism implications and, thus, are not subject to review under that order.

##### (c) Family Executive Order

The General Counsel, as the designated official under Executive Order 12606, *The Family*, has also determined that the policies in this NOFA will have a potentially significant beneficial impact on the maintenance and general well-being of participating homeless families. Participation of families in the program can be expected to support family values, by helping families remain together; by enabling them to live in decent, safe, and sanitary housing; and by offering the supportive services that are necessary to acquire the skills and means to live independently in mainstream American society.

##### (d) Approval of Comprehensive Housing Affordability Strategy

A certification of consistency with the applicant's Comprehensive Housing Affordability Strategy (CHAS) is not being required with submission of the applications for these FY 1991 funds. However, HUD will not obligate funds for applicants whose applications are selected for funding until the applicant has submitted a CHAS, the CHAS is approved by HUD and HUD receives a certification from the applicant that it is following the HUD approved CHAS. If the condition for the obligation of the funds is not satisfied by February 28, 1992, HUD will award the money to the

next highest ranked applicant who can satisfy the condition.

Dated: August 20, 1991.

**S. Anna Kondrata,**

*Assistant Secretary for Community Planning and Development.*

[FR Doc. 91-20781 Filed 8-29-91; 8:45 am]

BILLING CODE 4210-29-M



செவ்வாய்

# Department of Transportation

**33 CFR Part 155**

# Vessel Response Plans and Carriage and Inspection of Discharge-Removal Equipment; Advance Notice of Proposed Rulemaking

**DEPARTMENT OF TRANSPORTATION****Coast Guard****33 CFR Part 155**

[CGD 91-034/90-068]

RIN 2115-AD81 and 66

**Vessel Response Plans and Carriage and Inspection of Discharge-Removal Equipment****AGENCY:** Coast Guard, DOT.**ACTION:** Advance notice of proposed rulemaking.

**SUMMARY:** The Coast Guard is soliciting comments relating to response plans for all vessels carrying oil as cargo and carriage and inspection of discharge-removal equipment. Regulations requiring response plans and carriage of oil spill removal equipment are mandated by the Federal Water Pollution Control Act (FWPCA), as amended by the Oil Pollution Act of 1990. The purpose of requiring response plans and carriage of discharge removal equipment is to minimize the impact of oil spillage.

**DATES:** (a) Comments must be received on or before October 16, 1991.

(b) A public workshop will be held on November 14, 1991 in Washington, DC beginning at 9 a.m. and ending at 5 p.m. or earlier if the agenda has been completed.

**ADDRESSES:** (a) Comments must be in writing and may be mailed to the Executive Secretary, Marine Safety Council (G-LRA-2/3406) (CGD 91-034/CGD 90-068), U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC 20593-0001, or may be delivered to room 3406 at the above address between 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays. For information concerning comments, the telephone number is (202) 267-1477.

(b) The Executive Secretary maintains the public docket for this rulemaking. Comments will become part of this docket and will be available for inspection or copying at room 3406, U.S. Coast Guard Headquarters.

(c) The public workshop will be held on November 14, 1991 in U.S. Coast Guard Headquarters in room 2415 at 2100 Second Street, SW. in Washington, DC. Persons intending to attend the public workshop should contact Lieutenant Commander Glenn Wiltshire, Project Manager, Oil Pollution Act (OPA 90) Staff, (G-MS-1), (202) 267-6739, between 7 a.m. and 3:30 p.m., Monday through Friday, except Federal holidays. A summary of the discussions and

issues covered at the workshop will become part of the docket.

**FOR FURTHER INFORMATION CONTACT:**

Lieutenant Commander Glenn Wiltshire, Project Manager, Oil Pollution Act (OPA 90) Staff, (G-MS-1), (202) 267-6740, between 7 a.m. and 3:30 p.m., Monday through Friday, except Federal holidays.

**SUPPLEMENTARY INFORMATION:****Request for Comments**

The Coast Guard encourages interested persons to participate in the early stages of this rulemaking by submitting written views, data, or arguments. Persons submitting comments should include their name and address, identify this specific advance notice (CGD 91-034/CGD 90-068) and the specific section of the action being addressed or the issue to which each comment applies, and give the basis for each comment. Persons wanting acknowledgment of receipt of comments should enclose a stamped, self-addressed postcard or envelope.

All comments received before the expiration of the comment period and during the one-day workshop on November 14, 1991 will be considered before proposed rules are drafted. Late submittals will be considered to the extent practicable without delaying the publication of proposed rules.

At this time, the Coast Guard has not scheduled any public hearings. Persons may request a public hearing by writing to the Marine Safety Council at the address under "ADDRESSES." Requests should indicate why a public hearing is considered necessary. If the Coast Guard determines that the opportunity for oral presentations will aid this rulemaking, it will hold a public hearing at a time and place announced by a later notice in the Federal Register.

The Coast Guard does plan to hold at least one public workshop on tank vessel spill response plans and the carriage and inspection of discharge-removal equipment. The time and place of the workshop appear above in paragraph (c) of the **ADDRESSES** section.

**Drafting Information**

The principal persons involved in drafting this document are Lieutenant Commander Glenn Wiltshire, Project Manager, and Mary-Jo Cooney Spottswood, Project Counsel, Oil Pollution Act (OPA 90) Staff, (G-MS-1).

**Background and Purpose**

In recent years, several catastrophic oil spills have threatened the marine environment along the coastal areas of the United States and elsewhere. Among these were the EXXON VALDEZ in

Prince William Sound, the AMERICAN TRADER in California's coastal waters and the MEGA BORG in the Gulf of Mexico. These spills have resulted in extensive damage to the marine environment, including the loss of fish and wildlife. In response to these disasters and others, Congress passed the Oil Pollution Act of 1990 (OPA 90), Public Law 101-380.

OPA 90 requires owners and operators of vessels to submit individual response plans to the President. This requirement applies to all tank vessels, as defined under section 2101 of title 46, United States Code.

This advance notice of proposed rulemaking (ANPRM) solicits information that will assist the Coast Guard in developing proposed rules to implement requirements for tank vessel response plans and the carriage and inspection of discharge-removal equipment. This ANPRM addresses sections 4202(a), (b)(4), and 5005 of OPA 90. Section 4202(a) of OPA 90 amended section 311(j) of the Federal Water Pollution Control Act (FWPCA), 33 U.S.C. 1321, and sets out as sections 311(j)(5) and (j)(6) the requirements for tank vessel and facility response plans and discharge-removal equipment. Section 4202(b)(4) of OPA 90 established an implementation schedule for these provisions of section 311(j) of the FWPCA. Section 5005 of OPA 90 contains requirements for Prince William Sound, Alaska in addition to those imposed by sections 4202(a) and (b)(4) of OPA 90. These requirements include prepositioning oil spill containment equipment and establishing of oil spill removal organizations to protect property and economic interests, in particular the protection of fish hatcheries.

In general, OPA 90 requires response plans for "oil or hazardous substance" spills. However, section 4202(b)(4)(B) prohibits only the handling or transportation of oil after February 18, 1993, if a response plan has not been submitted for approval. Therefore, response plans for hazardous substance spills will be the subject of a separate rulemaking.

Regulations covering the requirements for facility response plans are being developed in concert with the Environmental Protection Agency (EPA). It is anticipated that this will be the subject of separate rulemaking actions; one by the U.S. Coast Guard for transportation related facilities, and one by the EPA for non-transportation related facilities. The publication of these two regulatory projects will be



coordinated. This ANPRM addresses only tank vessel requirements.

#### Tank Vessel Response Plans

Section 311(j)(5) of the FWPCA and section 4202(b)(4) of OPA 90 require owners and operators of tank vessels as defined in 46 U.S.C. 2101 to prepare and submit individual response plans to the President for approval. In anticipation of this authority being delegated to the Commandant, the Coast Guard is soliciting public comments on implementing regulations.

Under the definition of "tank vessel" in 46 U.S.C. 2101, the requirements of section 311(j)(5) of the FWPCA and section 4202(b)(4) of OPA 90 are applicable to vessels certificated as passenger, cargo or miscellaneous vessels, including Offshore Supply Vessels and those vessels constructed or adapted to carry oil or hazardous substances in bulk as cargo or cargo residue. The Coast Guard is considering making these rules applicable to any vessel carrying oil in bulk as cargo or cargo residue.

Section 311(j)(5) of the FWPCA requires that in a vessel response plan, an owner or operator is required to identify and ensure by contract, or other means approved by the President, the availability of private personnel and equipment sufficient to remove, to the maximum extent practicable, a worst case discharge and to mitigate or prevent substantial threat of such a discharge. A worst case discharge for a vessel is defined in section 311(a) of the FWPCA, as amended by section 4201 of OPA 90, as a discharge in adverse weather conditions of its entire cargo.

A major purpose of the amendments made by section 4202(a) of OPA is to create a system in which private parties supply the bulk of any equipment and personnel needed for oil spill response in a given area. Additional resources, as necessary, may be required by vessels and facilities to meet the intent of the national planning and response system. For example, the response plans must identify and ensure the availability of personnel and equipment necessary to remove to the maximum extent practicable a worst case discharge, including a discharge from fire or explosion. If a vessel's response plan lists a port's municipal fire-fighting capabilities as part of its spill response plan in the case of fire or explosion, then it may be necessary to assess the port's municipal fire-fighting capabilities in order to determine the adequacy of the vessel's response plan.

The Coast Guard will be required to review tank vessel response plans; require amendments to any plan that

does not meet the requirements set forth under the provisions of the new section 311(j)(5) of the FWPCA; and approve any plan that does comply with those provisions.

After February 18, 1993, a vessel required to have a response plan may not handle, store or transport oil unless a plan has been submitted for approval. After August 18, 1993, a vessel required to have a response plan may not perform any of these three functions unless it is operating in compliance with that plan. After submission of a response plan, but prior to its approval, a vessel may continue such operations for up to two years if the owner or operator has certified the availability of private personnel adequate to respond to a worst case discharge.

#### Removal Equipment

Under section 311(j)(6) of the FWPCA as amended by section 4202(a) of OPA 90, vessels operating on the navigable waters and carrying oil in bulk as cargo must also carry appropriate removal equipment which would be subject to periodic inspection. At this stage of the rulemaking process, combining a discussion of tank vessel response plans with that for carriage of appropriate removal equipment is considered the best approach; the subjects are closely related, and the affected entities are the same. A unified discussion will focus the impact on industry and require only one response to this ANPRM. In the future, requirements for tank vessel response plans and carriage of discharge-removal equipment may be addressed in separate Federal Register Notices.

#### Areas of Regulation Under Consideration

Regulations covering the following areas are being considered to implement the response plan requirements of section 311(j) of the FWPCA. Comments and suggestions from interested parties are invited.

##### 1. Tank Vessel Response Plans

(a) Response plans would be submitted to the cognizant Captain of the Port (COTP) for approval.

(b) Each plan would be required to address a response to a worst case discharge of oil or substantial threat of such a discharge.

(c) Each plan would be required to contain the following information:

- Emergency notification procedures.
- Vessel-specific information.
- Name of response coordinator (qualified individual).

- List/location of spill response/fire extinguishing equipment (including onboard equipment).

- Response personnel and their training.

- Cargo hazard identification.

- Emergency response procedures, i.e. containment, countermeasures and cleanup.

- Emergency response scenarios, i.e. large/small, fires/explosions, collision, grounding, salvage operations, spills in sensitive/populated areas, offshore/shoreside spills, etc.

- Salvage operations.

- Lightering capabilities.

- Waste disposal.

- Worker health and safety.

- Threat to environment/public health and safety.

(d) Response plans would be required to be consistent with the National Contingency Plan (NCP) (40 CFR part 300), as required by 33 U.S.C. 1321(c)(2), and the Area Contingency Plan (ACP) as required by section 311(j)(4) of the FWPCA, as amended by section 4202(a) of OPA 90.

(1) Each plan should be consistent with the requirements established in the NCP and ACP for the area covered.

(2) All plans should follow a specific format. Certain aspects of the response plan, such as on-board emergency response procedures, would be "generic" in form, regardless of the vessel's port of call. These generic aspects would form the main "core" of the response plan. Information that is unique to a port of call, however, such as clean up contractors or local contracting representatives, would be included in the response plan as appendices.

(e) A qualified individual would have to be identified, with authority to activate the response plan and obligate funding. A "qualified individual" is a representative of the vessel, with written authority to engage in contracting with response companies and to activate necessary funds from the vessel's owner/operator to carry out cleanup activities. This individual should have sufficient training to direct cleanup contractors pending the arrival of a company representative. The qualified individual must have the means for immediate communication with the appropriate Federal official and the persons providing personnel and equipment for discharge-removal. It is anticipated that vessels would have retainers with clean up contractors or co-op managers for their services, essentially Basic Ordering Agreements (BOAs).

(f) A communications network, such as a spill response telephone list, would be required to identify which parties must be contacted (i.e. Federal agencies, contractors, a call-up tree per se) and how those communications channels would be established.

(g) Vessel owners/operators would be required to identify and ensure by contract, the availability of private personnel and equipment necessary to respond to a discharge. The Coast Guard would provide guidelines regarding what type and amounts of equipment are required for a vessel of a given capacity.

In addition to the BOA's noted above, the Coast Guard would maintain an oversight and enforcement role in verifying the contractual availability of equipment and personnel between pollution contractors and tank vessels. The local COTP representative would determine that local contractors do in fact possess, and maintain in a ready condition, the necessary response inventory to handle spills of the size they contract for. In addition, the Coast Guard would review the contract arrangements between the vessel and contractor for the interim period when the response plans are submitted but not yet approved.

(h) The plan would be required to address training, equipment testing, and periodic unannounced drills, and the response actions of vessel personnel. The regulations would specify criteria describing acceptable levels for approval. Response actions, and persons assigned, would be listed in the ship's station bills and muster list, currently required in subpart 46 CFR 35.10—Fire and Emergency requirements.

(i) Response plans would be submitted to the COTPs for initial approval as well as for approval of each significant change. Significant changes would include such changes as: A vessel's configuration, the name/authority of a person in charge, or contracting with new cleanup operators.

(j) Response plans would be required to be updated periodically. Updates for U.S. tank vessels would coincide with COI issuance, and updates for foreign tank vessels would coincide with the annual Tank Vessel Examination.

## 2. Tank Vessels Operating on Prince William Sound, Alaska

Section 5005 of OPA 90 is a free standing provision establishing additional oil spill removal requirements on facilities located on Prince William Sound and tank vessels transiting Prince William Sound. The statute does not impose any direct requirements on facilities and does not specify who is to

be responsible for the additional equipment, personnel and training, but does specify that the response plan for each tank vessel shall "provide for" the additional requirements. The Coast Guard does not interpret this section as requiring each individual vessel to independently provide prepositioned equipment and personnel. The Coast Guard's position is that these requirements can be met by a consortium of vessel owners, or by independent organizations, and that the requirement for practice exercises at least two times per year applies to the additional equipment and personnel in the Prince William Sound area, not to each vessel transiting Prince William Sound. The Coast Guard does intend, however, that the practice exercises involve the participation of one or more vessels; to ensure a realistic exercise.

(a) The response plans for these vessels would be required to cover the use of prepositioned oil spill containment and removal equipment in strategic locations within the geographic boundaries of Prince William Sound, including: Escort vessels with skimming capability; barges to receive recovered oil; heavy duty sea boom, pumping, transferring, and lightering equipment; and other equipment to protect the environment and fish hatcheries.

(b) The response plans for these vessels would be based on the following:

(i) Establishment of an oil spill removal organization at appropriate locations in Prince William Sound, consisting of trained personnel in sufficient numbers to immediately remove, to the maximum extent practicable, a worst case discharge or a discharge of 200,000 barrels of oil, whichever is greater.

(ii) Training in oil removal techniques for local residents and individuals engaged in cultivation or production of fish or fish products in Prince William Sound.

(c) The owners or operators of vessels transiting Prince William Sound would have to agree to participate in practice exercises scheduled by the Coast Guard.

## 3. Discharge-removal Equipment

The regulations for the vessel discharge-removal equipment would address the following areas.

(a) The type, quantity, and capacity of discharge-removal equipment to be carried on tank vessels.

(b) The periodic inspection of discharge-removal equipment, including the standards of inspection to apply for discharge-removal equipment.

(c) The method for enforcement, whether through required record-keeping or other means.

## Questions

To adequately address these issues, additional information is needed. Responses to the following questions would be particularly useful in developing a future Notice of Proposed Rulemaking (NPRM).

## Response Plans

1. What information should be required for the tank vessel response plans?
2. Should a specific format for the response plans be required?
3. What information should be required in the "core plans" and in port specific annexes?
4. How often should the response plans be reviewed and updated?
5. Where should the response plans be kept on an unmanned tank barge or a tank barge that is at anchor or underway? Should the plans be kept on board a towboat when engaged?
6. Who should be the "qualified individual" for a fleet of barges? Can the towboat operator fill this role?
7. Should the vessel crew be required to do more than attempt to control or stop the discharge and simultaneously report the incident to the USCG/State/owner/agent?
8. Should oil spill cleanup contractors listed by a vessel (as a condition of approval of the vessel's plan) be required to develop a local response plan consistent with the ACP?
9. What is an acceptable response time for spills defined in the National Contingency Plan (40 CFR 300.5) as minor, medium, major or catastrophic spills, or for a worst case discharge, as defined in section 311(a) of the FWPCA as amended by section 4201 of OPA 90? How would response time be determined? Would it be measured by distance from the spill, distance from the closest equipment launching facility, or by another means?
10. Should vessel damage stability and general arrangement plans be maintained off the vessel as well as on board for salvage and firefighting purposes? Where should they be located (i.e. Marine Safety Center, local COTP, classification societies)? How accessible should they be?
11. Should each vessel owner be required to maintain a response plan for each U.S. port of call? Should the vessel owner or agent representative in each port maintain a local plan which would be sufficient for the vessels calling under his control?

12. Using the definition of "tank vessel" in 46 U.S.C. 2101, what impact will these regulations have on vessels certificated as passenger, cargo or miscellaneous vessels, including Offshore Supply Vessels, that carry limited quantities of oil in bulk as cargo or cargo residue? Should any vessels be exempt from these requirements? If so, what types, tonnages and capacities should these be and why?

13. How many foreign vessels exercising the right of innocent passage would be impacted by this rulemaking? What are the sizes of these vessels? What would be the extent of the impact?

14. Should foreign vessels in innocent passage be exempted from complying with any or all sections of the response plan and equipment carriage requirements? If so, which sections and why?

15. What involvement, if any, should state or local authorities have in the review or approval of vessel response plans?

#### *Carriage and Inspection of Removal Equipment*

16. Should all vessels required to have response plans also be required to carry removal equipment? Should some vessels be exempt from equipment requirements?

17. What removal equipment is appropriate for tank vessels to carry?

18. What removal equipment should be carried on board tank barges?

19. What are the desired capabilities of the equipment?

20. Should the tank vessels carry equipment for containment and recovery?

21. How large a discharge should the removal equipment be capable of handling?

22. What equipment-inspection requirements are appropriate?

23. What equipment needs to be inspected?

24. Should the inspection be the responsibility of the owner or operator, and who would be required to maintain a record of that inspection?

25. Should spot examinations of the equipment be made by Coast Guard personnel as part of the vessel inspection?

26. Should third-party inspection be used?

27. What action should be taken if required equipment is missing or in disrepair?

28. What inspection requirements are appropriate for equipment maintained by a cooperative or an independent organization?

29. Should the required equipment be approved by the Coast Guard?

30. Should the area of the vessel's operation or the regional availability of support equipment affect the on board equipment-carriage requirements?

31. Should several tank barges in the same tow be permitted to share equipment?

32. How should removal equipment be deployed on unmanned tank barges? Who should deploy the response equipment?

33. Should a tank vessel's lifeboat be used to deploy oil containment boom if boom should be required? If not, should a dedicated vessel be required?

34. If containment boom is required, how much should be carried? Should it be sufficient to completely encircle the vessel?

35. How can anchoring of containment boom be carried out in deep water?

36. Should plans require an assessment of a local port's municipal capabilities to respond to an oil spill, including fire-fighting capabilities?

37. What involvement, if any, should State or local authorities have in the approval or inspection of response equipment?

#### *Training*

38. What mariner training in the use of discharge-removal equipment should be required?

39. Should the Coast Guard certify providers of this training?

40. Who in a vessels' crew should be required to have response training? (Licensed, unlicensed, deck or engine department personnel.)

41. Should mariners be required to have their licenses or merchant mariners' documents endorsed to show that the mariners have completed spill and emergency response training?

42. What mariner training in the implementation of the required response plans should be included?

#### *Drills*

43. How often should spill response drills be conducted (i.e. during each voyage, quarterly, during Coast Guard inspections or examinations, during Coast Guard spot checks, etc.)?

44. Should there be a requirement to log drills?

45. How should drill performance be measured? What is considered acceptable performance (i.e. boom deployment time)?

#### *Tank Vessels in Prince William Sound*

46. What prepositioned oil spill containment and removal equipment should be required for vessels operating in Prince William Sound? Should this equipment be capable of responding to a "worst case" spill from the largest tank

vessel operating in Prince William Sound or should equipment capabilities be based upon multiple vessel spills?

47. What organization(s) should own the removal equipment and what arrangement must vessels have for its use?

48. What should be the structure of spill removal organization(s)? How many trained personnel would be required to respond to a worst case discharge?

49. Who should be responsible for training local residents in oil removal technique?

50. Who should be required to participate in the biannual practice exercises?

51. Who should be responsible for periodic testing and certification of spill removal equipment?

#### *Economic Issues*

52. What would be the economic impact of requiring each tank vessel to develop and implement an oil spill response plan?

53. What would be the economic impact for tank vessel owners or operators of maintaining contracts with spill-response companies in each port they utilize?

54. What would be the economic impact on tank vessel owners or operators of reviewing and updating oil spill response plans?

55. What would be the economic impact on tank vessel owners or operators of maintaining on board oil spill removal equipment?

56. What would be the economic impact on the cleanup industry of enhancing removal equipment capabilities?

57. What would be the economic impact of requiring tank vessel owners or operators to train and drill personnel in spill response?

58. What would be the economic impact of these regulations on "small entities," under section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 605(b))?

59. What would be the economic impact on tank vessels operating in Prince William Sound of providing for use of the additional response equipment, and personnel training required by section 5005 of OPA 90? How would tank vessel owners and operators ensure that the equipment and personnel are available for their use?

Comments are not limited to the above and are invited on any aspect of implementing the requirements of tank vessel response plans and the carriage of discharge removal equipment.

### *Regulatory Impact Analysis*

At this early stage in the rulemaking process, the Coast Guard anticipates that any final rule may be considered major under E.O. 12291. It is significant using a number of criteria under the Department of Transportation Regulatory Policies and Procedures (44 FR 11040; February 26, 1979). This rulemaking will initiate a substantial effect on states that have or are developing response plan requirements. It may also affect domestic and international shipment of oil to and from the United States and may generate substantial public interest and controversy. The primary economic impact of these regulations would be on those tank vessel owners that would have to comply with any new requirements. These vessels would include the 3,950 United States-flag tank vessels (ships and barges) inspected by the Coast Guard and approximately 1,200 foreign-flag tank vessels, based on the number of these vessels that called in United States waters in 1990 as well as an undetermined number of foreign tank vessels that transit our waters in innocent passage. In addition these regulations may also impact private spill cleanup contractors and oil spill cooperatives.

Several alternative methods of implementing the rulemaking for vessel response plans have been identified. These include the following: (1) Requiring response plans for all commercial vessels; (2) requiring response plans for specific tank vessels based on factors such as vessel route, capacity or product carried; (3) requiring generic response plans for all tank vessels, with port specific appendices; (4) requiring individualized response plans for each tank vessel.

The Oil Pollution Act of 1990 also mandates issuance of regulations requiring tank vessels operating on the navigable waters of the United States to carry appropriate removal equipment by August 1992. This equipment is to employ the best technology that is both economically feasible and compatible with safe operation of the vessel. The Coast Guard is currently attempting to identify this equipment and establish those conditions under which its carriage and deployment is appropriate.

Several alternatives for implementing the equipment carriage and inspection requirements have been identified. These include the following: (1) No carriage of onboard equipment due to incompatibility with the safe operation of the vessel or unavailability of appropriate equipment (technologically and economically feasible); (2) carriage

of sufficient pollution response equipment to respond to a worst case discharge from the vessel; (This scenario is defined in the Oil Pollution Act to be a discharge in adverse weather conditions of a vessel's entire cargo. It is not practicable to plan for sufficient response equipment to be carried on board the vessel.) (3) carriage of sufficient pollution response equipment to respond to a maximum probable discharge and the minor discharges which constitute the vast majority of spills. The cost for carriage of currently available equipment to deal with containment and recovery of minor spills is estimated at between \$250,000 and \$500,000 for each affected tank vessel. Thus, the cost of simply requiring carriage of equipment to respond to minor spills could well exceed one billion dollars. The Coast Guard believes that it may not be economically feasible or compatible with current tank vessel operations and safety to rely on vessel-supplied equipment. Rather, it is likely that it will be necessary to rely on shore-based personnel and equipment, provided for by vessel response plans, to mount an effective response to pollution incidents originating from vessels. The Coast Guard anticipates that costs associated with utilizing private contractors, to provide response equipment, may well exceed \$100 million annually. Actual costs cannot be determined at this time.

The full extent of the economic and operational impact cannot be quantified at this stage. A primary purpose of this advance notice is to help the Coast Guard to develop the rule and determine the cost of any new requirements, to the extent that they exceed current legal and regulatory requirements or current industry practice. The Coast Guard anticipates that the public response to this advance notice will assist it in writing proposed rules and a draft regulatory impact analysis.

### *Collection of Information*

The Coast Guard cannot yet estimate the paperwork burden associated with this rulemaking since no regulations have been drafted. However, at a future stage, the USCG may require that tank vessel operators maintain records of response plan approvals and equipment inspections which would be available upon request to the Coast Guard. The Coast Guard expects that comments received on this advance notice will assist it in estimating the potential paperwork burden, as required under the Paperwork Reduction Act (44 U.S.C. 3501 et seq.). Once estimated, the Coast Guard will submit this record-keeping

requirement to the Office of Management and Budget for approval.

### *Small Entities*

There is a potential significant impact on a substantial number of small businesses, small not-for-profit organizations and small State and local governments. Because specific requirements have not yet been proposed, the Coast Guard is currently unable to determine the effect of regulations upon small entities. The Coast Guard expects that the comments received on this advance notice will assist it in determining the number of affected small entities, and in weighing the impacts of various regulatory alternatives for the purpose of drafting these regulations. "Small entities" include independently owned and operated small businesses that are not dominant in their field and otherwise qualify as small business concerns under section 3 of the Small Business Act (15 U.S.C. 632).

### *Environment*

This proposed rulemaking should have a positive impact on the environment by ensuring that oil spill response plans are available on tank vessels for the purpose of enhancing preparedness to contain and recover spills of these products. Before a proposed rule is published, a document will be prepared in accordance with the Coast Guard publication, COMDTINST M16475.1B. That document, which will describe the anticipated environmental effects of the proposed rulemaking, will be placed in the docket for inspection or copying at a location indicated in the proposed rule. The Coast Guard invites comments addressing possible effects this proposal may have on the human environment, or on potential inconsistencies with any Federal, State, or local law or administrative determinations relating to the environment. A final determination regarding the possible need for an environmental assessment will be made after receipt of relevant written comments.

### *Federalism*

This advance notice of proposed rulemaking has been analyzed in accordance with the principles and criteria contained in Executive Order 12612. Based on the information available to it at this time, the Coast Guard is unable to determine whether this rulemaking would have sufficient federalism implications to warrant the preparation of a Federalism Assessment. Some standardization of

response plan requirements is necessary since affected vessels move from port to port in the national marketplace and excessive variation in the requirements would be economically burdensome and potentially unsafe. The Coast Guard specifically seeks public comment on the federalism implications of this proposal.

Dated: June 20, 1991.

**A.E. Henn,**

*Rear Admiral, U.S. Coast Guard, Chief, Office of Marine Safety, Security and Environmental Protection.*

[FR Doc. 91-20857 Filed 8-29-91; 8:45 am]

BILLING CODE 4910-14-M



**Final Rule**

---

**Friday  
August 30, 1991**

---

**Part VIII**

**Department of the  
Interior**

---

**Fish and Wildlife Service**

---

**50 CFR Part 20**

**Migratory Bird Hunting: Regulations on  
Certain Federal Indian Reservations and  
Ceded Lands for the 1991-92 Early  
Season; Final Rule**



## DEPARTMENT OF THE INTERIOR

## Fish and Wildlife Service

## 50 CFR Part 20

RIN 1018-AB60

**Migratory Bird Hunting: Migratory Bird Hunting Regulations on Certain Federal Indian Reservations and Ceded Lands For the 1991-92 Early Season**

**AGENCY:** Fish and Wildlife Service, Interior.

**ACTION:** Final rule.

**SUMMARY:** This rule prescribes special early season migratory bird hunting regulations for certain tribes on Federal Indian reservations, off-reservation trust lands and ceded lands. This is in response to tribal requests for Service recognition of their authority to regulate hunting under established guidelines. This rule is necessary to allow establishment of season bag limits and, thus, harvest at levels compatible with populations and habitat conditions.

**EFFECTIVE DATE:** This rule takes effect on September 1, 1991.

**ADDRESSES:** Comments received on the proposed special hunting regulations and tribal proposals are available for public inspection during normal business hours in room 634-Arlington Square Building, 4401 N. Fairfax Drive, Arlington, VA. Communications regarding the documents should be addressed to: Director (FWS/MBMO), U.S. Fish and Wildlife Service, room 634-Arlington Square, Washington, DC 20240.

**FOR FURTHER INFORMATION CONTACT:** Dr. Keith A. Morehouse, Office of Migratory Bird Management, U.S. Fish and Wildlife Service, Department of the Interior, room 634-Arlington Square, Washington, DC 20240 (703/358-1773).

**SUPPLEMENTARY INFORMATION:** The Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755; 16 U.S.C. 703 *et seq.*), authorizes and directs the Secretary of the Interior, having due regard for the zones of temperature and for the distribution, abundance, economic value, breeding habits, and times and lines of flight of migratory game birds, to determine when, to what extent, and by what means such birds or any part, nest or egg thereof may be taken, hunted, captured, killed, possessed, sold, purchased, shipped, carried, exported or transported.

In the Wednesday, August 14, 1991 *Federal Register* (at 56 FR 42097), the U.S. Fish and Wildlife Service (Service) proposed special migratory bird hunting

regulations for the 1991-92 hunting season for certain Indian tribes, under the guidelines described in the June 4, 1985, *Federal Register* (at 50 FR 23467). The guidelines were developed in response to tribal requests for Service recognition of their reserved hunting rights, and for some tribes, recognition of their authority to regulate hunting by both tribal members and nonmembers on their reservations. The guidelines include possibilities for: (1) On-reservation hunting by both tribal members and nonmembers, with hunting by nontribal members on some reservations to take place within Federal frameworks but on dates different from those selected by the surrounding State(s); (2) on-reservation hunting by tribal members only, outside of usual Federal frameworks for season dates and length, and for daily bag and possession limits; and (3) off-reservation hunting by tribal members on ceded lands, outside of usual framework dates and season length, with some added flexibility in daily bag and possession limits. In all cases, the regulations established under the guidelines would have to be consistent with the March 10-September 1 closed season mandated by the 1916 Migratory Bird Treaty with Canada. Tribes that desired special hunting regulations in the 1991-92 hunting season were requested in the Friday, March 15, 1991, *Federal Register* (56 FR 11336) to submit a proposal that included details on: (1) Requested season dates and other regulations to be observed; (2) harvest anticipated under the requested regulations; (3) methods that will be employed to measure or monitor harvest; (4) steps that will be taken to limit level of harvest, where it could be shown that failure to limit such harvest would impact seriously on the migratory bird resource; and (5) tribal capabilities to establish and enforce migratory bird hunting regulations. No action is required if a tribe wishes to observe the hunting regulations that are established by the State(s) in which an Indian reservation is located. The guidelines have been used successfully since the 1985-86 hunting season, and they were made final beginning with the 1988-89 hunting season.

Although the August 14, 1991, proposed rule included generalized regulations for both early and late season hunting, this rulemaking addresses only the early season proposals. Late season hunting will be addressed in the rulemaking to follow in September, 1991. As a general rule, early seasons begin during September each year and have a primary emphasis on such species as mourning and white-winged dove. Late seasons are those

that begin October 1, or later each year and have a primary emphasis on waterfowl.

Also, in the August 14, 1991, proposed rule, the Service pointed out that duck hunting regulations likely would continue to be restrictive because of little overall improvement in duck population status from last year. Hunting regulations were restrictive last year for the same reason. Recently completed production surveys on the breeding ground have indicated that the fall flight of ducks in 1991 will be unchanged from the low level of last year. Although they have not been established as yet, late season duck hunting regulations are proposed to be restrictive again during the 1991-92 hunting season.

#### Comments and Issues Concerning Tribal Proposals

For the 1991-92 migratory bird hunting season, the Service received requests from 12 tribes and/or Indian groups that followed the June 4, 1985, guidelines and are appropriate for final rulemaking. Some of the proposals submitted by the tribes have both early and late season elements. However, as noted earlier, only those with early season proposals are included in this final rulemaking; 7 tribes have proposals with early seasons.

Comments and revised proposals received to date are addressed in the following section. Because of the brief comment period that was necessary, any comments received on the proposed rule published on August 14, 1991, and on this early season final rule, will be addressed in the September late season final rule.

#### Great Lakes Indian Fish and Wildlife Commission, Odanah, Wisconsin

As noted in the proposed rule, in a June 30, 1991, letter, the Wisconsin Department of Natural Resources (Department), voiced an overall nonobjection to the regulations proposed by the Great Lakes Indian Fish and Wildlife Commission (GLIFWC) for hunting by Chippewa tribal members. With regard to the opening dates of the duck and goose seasons, the Department had no objection at the time to the GLIFWC proposal. However, the Department reserved the right to modify its position pending further development of 1991 waterfowl production information. The Department requested further that tribal members honor the noon opening of the State's shooting hours regulations for the first day of the duck season opening, and comply with Wisconsin's open-water restrictions. In

addition, the State noted that the proposed earlier opening for woodcock is consistent with Federal frameworks.

In an August 1, 1991, letter to the Service, the GLIFWC further defined their proposed duck hunting regulations for the 1991-92 season, as they had pledged to do as more information became available on 1991 duck populations. The revised GLIFWC proposal differs from the original only in respect to bag limits, and leaves intact season dates given in the proposed rule. The bag limits changes submitted provide for an additional duck in the daily bag (from 3 to 4) and 2 in the possession limit (from 6 to 8). In terms of the daily bag, it provides for 1 additional mallard drake or 1 additional wood duck. The other restrictions of 1 black duck, 1 hen mallard, 1 redhead, and 1 pintail are not affected. As in the previous years, the taking of canvasbacks is prohibited.

The revised changes in the GLIFWC proposal are intended to provide a modest increase in the opportunity to realize a subsistence harvest. The effects of these changes are anticipated by GLIFWC to be minimal for the reasons given that: The harvest is heavily dependent upon local birds and those breeding populations have not shown the declines observed in the prairie; the average number of ducks harvested per trip by tribal hunters is less than 1; and the small number of tribal waterfowl hunters and days spent afield effectively prohibits any biologically significant impact. The GLIFWC anticipates the increase in local harvest to be less than 100 birds, and notes that the off-reservation harvest has remained small, not exceeding 1500 birds annually since the first season in 1985.

Although the Service believes the revised proposal to be reasonable at this time, given the situation described, the GLIFWC should be sensitive to the potential need to reduce bag limits on drake mallards and/or wood ducks in the future if indicated by declining population numbers. The fact that drake mallards and wood ducks currently comprise nearly sixty percent of the bag means that there will be an increasingly disproportionate harvest pressure that should be closely monitored.

The Service has received no communication from the State of Wisconsin regarding the revised GLIFWC proposal. Further, the Service has received no oral or written communications from the States of Michigan and Minnesota regarding either the original or revised GLIFWC proposals.

### Other Tribal Regulatory Proposals and Contacts

In a May 17, 1991, letter to the Service, the Confederated Salish and Kootenai Tribes advised that they and the State of Montana have signed a comprehensive long-term (4-year) agreement with regard to fishing and hunting management and regulation on the Reservation. On June 5, 1991, The Mille Lacs Band of Chippewa completed an agreement with the Service regarding migratory bird management and hunting by tribal members on tribal lands for the 1991-92 season. The Service continues to seek further dialogue with the other tribes, i.e., the Klamath Tribe (Oregon) and the Confederated Tribes and Bands of the Yakima Indian Nation (WA), regarding their 1991-92 migratory bird hunting seasons proposals that did not conform to the required guidelines. As reflected in the proposed rule, the Service would like to work toward establishing migratory bird hunting regulations with other tribal groups that have an interest in cooperating on behalf of sound migratory gamebird management.

In summary, this rule amends § 20.110 of 50 CFR to make current for the early 1990-91 migratory bird hunting season the regulations that will apply on Federal Indian reservations, off-reservation trust lands and ceded lands. These regulations take into account the need to continue the reduced harvest of ducks.

### Administrative Actions

#### NEPA Consideration

Pursuant to the requirements of section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(C)), the "Final Environmental Statement for the Issuance of Annual Regulations Permitting the Sport Hunting of Migratory Birds (FES-75-74)" was filed with the Council on Environmental Quality on June 6, 1975, and notice of availability was published in the Federal Register on June 13, 1975 (40 FR 25241). A supplement to the final environmental statement, the "Final Supplemental Environmental Impact Statement: Issuance of Annual Regulations Permitting the Sport Hunting of Migratory Birds (SEIS 88-14)" was filed on June 9, 1988, and a notice of availability was published in the Federal Register on June 16, 1988 (53 FR 22582), and June 17, 1988 (53 FR 22727). In addition, an August 1985 environmental assessment titled "Guidelines for Migratory Bird Hunting Regulations on Federal Indian

Reservations and Ceded Lands" is available from the Service.

### Nontoxic Shot Regulations

On Monday, May 13, 1991 (at 56 FR 22100), the Service published the final rulemaking on nontoxic shot zoning for the current hunting season and future years. This rule, titled "Nationwide Requirement to Use Nontoxic Shot for the Taking of Waterfowl, Coots and Certain Other Species Beginning in the 1991-92 Season" provides that all of the waterfowl harvest beginning this year will occur in nontoxic shot zones. This final rule also reminded hunters that nontoxic shot use is required in all U.S. offshore territorial waters and for the taking of captive-reared mallards on shooting preserves, in field trials and for bona fide dog training activities. All of the final hunting regulations covered by this rulemaking are in compliance with the Service's nontoxic shot requirements.

### Endangered Species Act Consideration

Section 7 of the Endangered Species Act provides that, "The Secretary shall review other programs administered by him and utilize such programs in furtherance of the purposes of this Act" (and) shall "insure that any action authorized, funded or carried out \* \* \* is not likely to jeopardize the continued existence of any endangered species or threatened species or result in the destruction or adverse modification of (critical) habitat \* \* \*." Consequently, the Service initiated section 7 consultation under the Endangered Species Act for the 1991-92 migratory bird hunting season regulations.

In a July 31, 1991, biological opinion, the Division of Endangered Species advised the Office of Migratory Bird Management of its conclusions that the proposed action will not affect either listed species or critical habitat. The Service's biological opinions resulting from its consultation under section 7 of the Endangered Species Act may be inspected by the public in either the Division of Endangered Species or the Office of Migratory Bird Management, U.S. Fish and Wildlife Service, Arlington Square Building, 4401 N. Fairfax Drive, Arlington, VA, or write Director (MBMO), U.S. Fish and Wildlife Service, 634 ARLSQ, Main Interior Building, Washington, DC 20240.

### Regulatory Flexibility Act, Executive Orders 12291, 12612, and 12630 and the Paperwork Reduction Act

In the March 6, 1991 Federal Register (at 56 FR 9462), the Service reported measures it had undertaken to comply

with requirements of the Regulatory Flexibility Act of 1980 (5 U.S.C. 601 *et seq.*) and Executive Order 12291, "Federal Regulation," of February 17, 1981. These included preparing a Determination of Effects and revising the Final Regulatory Impact Analysis, and publication of a summary of the latter. These regulations have been determined to be major under Executive Order 12291, and they have a significant economic impact on substantial numbers of small entities under the Regulatory Flexibility Act. It has been determined that this rule will not involve the taking of any property rights, as defined in Executive Order 12630, and will not have any significant federalism effects, under Executive Order 12612. These determinations are detailed in the aforementioned documents which are available on request from the Office of Migratory Bird Management, U.S. Fish and Wildlife Service, room 634-Arlington Square, Washington, DC 20240. These regulations contain no collection of information subject to Office of Management and Budget review under the Paperwork Reduction Act of 1980.

#### Memorandum of Law

The Service's Memorandum of Law, required by section 4 of Executive Order 12291, will be published in the *Federal Register* in late-August 1991.

#### Authorship

The primary author of this final rule is Dr. Keith A. Morehouse, Office of Migratory Bird Management, working under the direction of Thomas J. Dwyer, Chief.

#### Regulations Promulgation

The rulemaking process for migratory bird hunting must, by its nature, operate under severe time constraints. However, the Service is of the view that every attempt should be made to give the public the greatest possible opportunity to comment on the regulations. Thus, when the proposed hunting regulations for certain tribes were published on Wednesday, August 14, 1991, the Service established the longest possible period for public comments. In doing this, the Service recognized that time would be of the essence. However, the comment period provided the maximum amount of time possible while ensuring that a final rule was published before the beginning of the early hunting season beginning on September 1, 1991.

Under the authority of the Migratory Bird Treaty Act of July 3, 1918, as amended (40 Stat. 755; 16 U.S.C. 703 *et seq.*), the Service prescribes final hunting regulations for certain tribes on

Federal Indian reservations (including off-reservation trust lands), and ceded lands. The regulations specify the species to be hunted and establish season dates, bag and possession limits, season length, and shooting hours for migratory game birds other than waterfowl.

Therefore, for the reasons set out above, the Service finds that "good cause" exists, within the terms of 5 U.S.C. 553(d)(3) of the Administrative Procedure Act, and this final rule will take effect on September 1, 1991.

#### List of Subjects in 50 CFR Part 20

Exports, Hunting, Imports, Transportation, Wildlife.

Accordingly, part 20, subchapter B, chapter I of title 50 of the Code of Federal Regulations is amended as follows:

#### PART 20—[AMENDED]

1. The authority citation for part 20 continues to read as follows:

**Authority:** Migratory Bird Treaty Act, sec. 3, Pub. L. 65-186; 49 Stat. 755 (16 U.S.C. 701-708h) sec. 3(h), Pub. L. 95-616; 92 Stat. 3112 (16 U.S.C. 712).

**Note:** The following annual hunting regulations provided for by § 21.110 of 50 CFR part 20 will not appear in the Code of Federal Regulations because of their seasonal nature.

2. Section 20.110 is revised to read as follows:

**§ 20.110 Seasons, limits and other regulations for certain Federal Indian reservations, Indian Territory, and ceded lands.**

(a) *Colorado River Indian Reservation, Parker, Arizona (Tribal Members and Nonmembers)*

*Mourning Doves and White-winged Doves.*

*Season Dates:* Open September 1, close September 15, 1991.

*Daily Bag and Possession Limits:* The daily bag limit is 10 and the possession limit is 20 white-winged and mourning doves, singly or in the aggregate of both species.

*General Conditions:* Tribal and nontribal hunters will comply with all basic Federal migratory bird hunting regulations in 50 CFR part 20, regarding shooting hours and manner of taking. Special regulations established by the Colorado River Indian Tribes also apply on the reservation.

(b) *Great Lakes Indian Fish and Wildlife Commission, Odanah, Wisconsin (Tribal Members Only)*

*Ducks.*

*Wisconsin and Minnesota Zones:*

*Season Dates:* Open September 23, close November 3, 1991.

*Daily Bag Limit:* The daily bag limit is 4, including no more than: 1 hen mallard and 3 mallards total; 3 wood ducks; 1 black duck; 1 redhead and 1 pintail. The taking of canvasbacks is prohibited.

*Mergansers.*

*Wisconsin and Minnesota Zones:*

*Season Dates:* Open September 23, close November 3, 1991.

*Daily Bag Limit:* The daily bag limit is 5, including no more than 1 hooded merganser.

*Canada Geese.*

*Wisconsin and Minnesota Zones:*

*Season Dates:* Open September 16, close December 1, 1991.

*Daily Bag Limit:* The daily bag limit is 5.

*Michigan, 1842 Treaty Zone:*

*Season Dates:* Open September 1, close September 10, 1991.

*Daily Bag Limit:* The daily bag limit is 5.

*Michigan, 1836 Treaty Zone:*

*Season Dates:* Open September 1, close September 10, 1991.

*Daily Bag Limit:* The daily bag limit is 3.

*Other Geese (Blue, Snow, and White-fronted).*

*Wisconsin and Minnesota Zones:*

*Season Dates:* Open September 16, close December 1, 1991.

*Daily Bag Limit:* The daily bag limit is 7 minus the number of Canada geese taken, including no more than 2 white-fronted.

*Coots and Common Moorhens (Gallinule).*

*Wisconsin and Minnesota Zones:*

*Season Dates:* Open September 23, close November 3, 1991.

*Daily Bag Limit:* The daily bag limit is 20, singly or in aggregate.

*Sora and Virginia Rails.*

*Wisconsin and Minnesota Zones:*

*Season Dates:* Open September 23, close November 3, 1991.

*Daily Bag Limit:* The daily bag limit is 25, singly or in the aggregate. The possession limit is 25.

*Michigan, 1842 and 1836 Zones:*

*Season Dates:* Open September 15, close November 14, 1991.

*Daily Bag and Possession Limits:* The daily bag limit is 25, singly or in aggregate. The possession limit is 25.

*Common Snipe.*

*Wisconsin and Minnesota Zones:*

*Season Dates:* Open September 23, close November 3, 1991.

*Daily Bag Limit:* The daily bag limit is 8.

*Michigan, 1842 and 1836 Zones:*

*Season Dates:* Open September 15, close November 14, 1991.

**Daily Bag Limit:** The daily bag limit is 8. *Woodcock.*

*Wisconsin and Minnesota Zones:*  
*Season Dates:* Open September 3,  
close November 20, 1991.

**Daily Bag Limit:** The daily bag limit is 5.

*Michigan, 1842 and 1836 Zones:*  
*Season Dates:* Open September 15,  
close November 14, 1991.

**Daily Bag Limit:** The daily bag limit is 5.

**General Conditions:** (i) While hunting waterfowl, a tribal member must carry on his/her person a valid tribal waterfowl hunting permit.

(ii) Except as otherwise noted, tribal members will be required to comply with tribal codes that will be no less restrictive than the provisions of chapter 10 of the Model Off-Reservation Code. This Model Code was the subject of the stipulation in *Lac Courte Oreilles v. State of Wisconsin* regarding migratory bird hunting. Except as modified by the Service rules adopted in response to this proposal, these amended regulations parallel Federal requirements, 50 CFR part 20, and shooting hour regulations in 50 CFR part 20, subpart K, as to hunting methods, transportation, sale, exportation and other conditions generally applicable to migratory bird hunting.

(iii) Tribal members in each zone will comply with State regulations providing for closed and restricted waterfowl hunting areas.

(iv) Minnesota and Michigan—Duck Blinds and Decoys. Tribal members hunting in Minnesota will comply with tribal codes that contain provisions parallel to M.S. 100.29, Subd. 18 (duck blinds and decoys). Tribal members hunting in Michigan will comply with tribal codes that contain provisions parallel to Michigan law regarding duck blinds and decoys.

(v) Possession limits for each species are double the daily bag limit, except on the opening day of the season, when the possession limit equals the daily bag limit, unless otherwise specified.

(vi) Possession limits are applicable only to transportation and do not include birds which are cleaned, dressed, and at a member's primary residence. For purposes of enforcing bag and possession limits, all migratory birds in the possession or custody of tribal members on ceded lands will be considered to have been taken on those lands unless tagged by a tribal or State conservation warden as having been taken on-reservation. In Wisconsin, such tagging will comply with section NR 19.12, Wis. Adm. Code. All migratory birds which fall on reservation lands

will not count as part of any off-reservation bag or possession limit.

*(c) Oneida Tribe of Indians of Wisconsin, Oneida, Wisconsin (Tribal Members)*

**Geese.**

*Season Dates:* Open September 1,  
close November 11, 1991.

**Daily Bag and Possession Limits:** Daily bag limit is two (2) tribally tagged Canada geese. The tribe will reissue tags as each 2 birds are registered. A season quota of 150 birds has been recommended by the Oneida Conservation Department. If the quota is reached before the season concludes, the Department recommends closing the season at that time.

*(d) Navajo Indian Reservation, Window Rock, Arizona (Tribal Members and Nonmembers)*

**Mourning Doves and White-winged Doves.**

*Season Dates:* Open September 1,  
close September 10, 1991.

**Daily Bag and Possession Limits:** The daily bag limit is 10 mourning and white-wing doves in the aggregate, of which no more than 6 of the daily bag may be white-winged doves. Possession limit after opening day is 20 mourning and white-winged doves in the aggregate, of which no more than 12 may be white-winged doves.

**General Conditions:** Tribal and nontribal hunters will comply with all basic Federal migratory bird hunting regulations in 50 CFR part 20, regarding shooting hours and manner of taking. Special regulations established by the Navajo Nation also apply on the reservation.

*(e) Penobscot Indian Nation, Old Town, Maine (Tribal Members Sustenance Season)*

**Ducks:**

*Season Dates:* Begin September 14,  
close November 30, 1991.

**Daily Bag Limits:** The daily bag limit is 4, except that it may include no more than 1 black duck and 2 wood ducks.

**Geese:**

*Season Dates:* Begin September 14,  
close November 30, 1991.

**Daily Bag Limits:** The daily bag limit is 3 Canada geese, 3 snow geese, or 3 geese in the aggregate.

**General Conditions:** (i) Tribal members may hunt waterfowl (ducks and geese) on Penobscot Indian Territory under special sustenance regulations during the 1991-92 hunting season. When the sustenance and Maine's general waterfowl season overlap, the daily bag limit for tribal

members is only the larger of the two daily bag limits.

(ii) Possession limits on ducks and geese during the tribal sustenance season are applicable only to transportation and do not include birds which are cleaned, dressed, and at a member's residence.

(iii) Tribal members shall comply with all basic Federal migratory birds hunting regulations in 50 CFR part 20, except that when sustenance hunting tribal members shall be permitted to hunt one-half hour before sunrise to one-half hour after sunset.

(iv) Each tribal waterfowl hunter 16 years of age or over must possess and carry on his/her person a valid Migratory Bird Hunting and Conservation Stamp (Duck Stamp), signed in ink across the face.

(v) Special regulations established by the Penobscot Indian Nation also apply in Penobscot Indian Territory.

*(f) Tulalip Tribes of Washington, Tulalip Indian Reservation, Marysville, Washington (Tribal Members)*

**Ducks/Coot.**

*Season Dates:* Open September 1, 1991, and close January 31, 1992.

**Daily Bag and Possession Limits:** The daily bag limit is 6, with 12 in possession; except that bag and possession limits for pintail, harlequin, canvasback, blue-winged teal and wood duck will be the same as those established for the State of Washington by final Federal frameworks, to be announced.

**Geese.**

*Season Dates:* Open September 1, 1991, and close January 31, 1992.

**Daily Bag and Possession Limits:** The daily bag limit is 6, with 12 in possession; except that the bag limits for brant and cackling and dusky Canada geese are to be those established for the State of Washington in accordance with final Federal frameworks, to be announced.

**Snipe.**

*Season Dates:* Open September 1, 1991, and close January 31, 1992.

**Daily Bag and Possession Limits:** The daily bag limit is 6, with 12 in possession.

**General Conditions:** All hunters are required to adhere to shooting hour regulations of one-half hour before sunrise to sunset, and a number of other special regulations enforced by the tribes and available at the tribal office.

*(g) Fort Apache Indian Reservation, Whiteriver, Arizona (Tribal Members and Nonmembers)*

**Band-tailed Pigeons.**

*Season Dates:* Open September 1, close September 30, 1991.

*Daily Bag and Possession Limits:* The daily bag limit is 5, and the possession limit is 10.

*Mourning Dove.*

*Season Dates:* Open September 1, close September 30, 1991.

*Daily Bag and Possession Limits:* The daily bag limit is 10, and the possession limit is 20.

*General Conditions:* Tribal and nontribal hunters will comply with all basic Federal migratory bird hunting regulations in 50 CFR part 20 regarding shooting hours and manner of taking.

Special regulations established by the White Mountain Apache Tribe also apply on the reservation.

Dated: August 19, 1991.

Richard N. Smith,

Director, Fish and Wildlife Service.

[FR Doc. 91-20833 Filed 8-29-91; 8:45 am]

BILLING CODE 4310-55-M

# Reader Aids

Federal Register

Vol. 56, No. 169

Friday, August 30, 1991

## INFORMATION AND ASSISTANCE

### Federal Register

Index, finding aids & general information	523-5227
Public inspection desk	523-5215
Corrections to published documents	523-5237
Document drafting information	523-5237
Machine readable documents	523-3447

### Code of Federal Regulations

Index, finding aids & general information	523-5227
Printing schedules	523-3419

### Laws

Public Laws Update Service (numbers, dates, etc.)	523-6641
Additional information	523-5230

### Presidential Documents

Executive orders and proclamations	523-5230
Public Papers of the Presidents	523-5230
Weekly Compilation of Presidential Documents	523-5230

### The United States Government Manual

General information	523-5230
---------------------	----------

### Other Services

Data base and machine readable specifications	523-3408
Guide to Record Retention Requirements	523-3187
Legal staff	523-4534
Privacy Act Compilation	523-3187
Public Laws Update Service (PLUS)	523-6641
TDD for the hearing impaired	523-5229

## FEDERAL REGISTER PAGES AND DATES, AUGUST

36723-36996	1
36997-37138	2
37139-37266	5
37267-37452	6
37453-37640	7
37641-37820	8
37821-38070	9
38071-38318	12
38319-40218	13
40219-40480	14
40481-40742	15
40743-41054	16
41055-41280	19
41281-41430	20
41431-41620	21
41621-41746	22
41747-41918	23
41919-42220	26
42221-42522	27
42523-42676	28
42677-42918	29
42919-43546	30

## CFR PARTS AFFECTED DURING AUGUST

At the end of each month, the Office of the Federal Register publishes separately a List of CFR Sections Affected (LSA), which lists parts and sections affected by documents published since the revision date of each title.

### 1 CFR

Proposed Rules:	
462	41022

### 3 CFR

Proclamations:	
6319	37135
6320	37407
6321	40481
6322	41279
6323	41915
6324	41917
6325	41919
6326	42521
6327	42675
6328	42919

### Executive Orders:

5327 (Revoked in part by PLO 6866 of July 26, 1991)	38083
---	-------

May 19, 1913

(Revoked by PLO 6869)	41075
12772	41621

### Administrative Orders:

Certification:	
August 6, 1991	37819

### Presidential Determinations:

No. 91-28 of April 16, 1991	40737
No. 91-29 of April 16, 1991	40739
No. 91-47 of August 2, 1991	40741

### 5 CFR

550	40360
575	40360
581	36723
950	42677
1200	41747
1201	41748
1203	41748

### Proposed Rules:

333	36741
733	37480

### 7 CFR

2	42682, 42921
29	41921
220	37954
301	37606, 41890
318	36724
354	36724
401	36724
729	38319
736	40219
905	37641
906	40743
916	40220
917	40220

927	40483
931	40744
945	37822
967	42523
989	37642, 38071
998	37645
1126	42221
1207	40226
1220	42921, 42923
1240	37453
1421	42683
1427	41431, 41749
1446	38319
1468	40232
1472	40232
1477	41055
1485	40745
1493	41391
1570	42222
1712	42460
1719	42460
1737	42523
1739	42460
1746	42460
1786	37267
1924	40240
1944	41764
1951	41764
1955	40240

### Proposed Rules:

Ch. VI	40446
51	41491
52	42649
271	40146, 43152
272	40570
273	40146-40164, 40570, 43152
274	40164
278	40579
280	40164
301	41311
318	38351
354	37481, 41605
425	41313
701	37499
800	37302, 40812
917	37863
920	42543
926	42543
955	40812
966	42554
967	36742
985	37500
997	40269
1106	42240
1120	42240
1126	42240
1132	42240
1137	42284
1138	42240
1413	40272, 41082
1712	42496
1719	42496

1739.....42496  
1746.....42496  
1930.....42384  
1944.....42384  
1951.....42384  
1965.....42384  
3200.....41190

#### 8 CFR

103.....41767  
210a.....38331  
214.....38331, 41623  
240.....41445  
241.....38331  
242.....38331  
247a.....41767  
338.....38485

#### Proposed Rules:

103.....42948  
204.....41084  
214.....42952  
242.....42948  
243.....42948  
245.....37864  
264.....42948  
274a.....42948  
299.....42948

#### 9 CFR

50.....36997  
92.....41726  
113.....37823  
166.....37827, 41605  
317.....41445  
319.....41445  
327.....38333

#### Proposed Rules:

92.....37025  
101.....38352  
112.....38352  
113.....38352  
130.....37481, 41605  
308.....40274  
317.....41967  
318.....40274  
327.....38361, 41162  
381.....40274, 41967

#### 10 CFR

2.....36998, 40664  
20.....40757, 41448  
21.....41448  
26.....41922  
30.....40664, 40757  
31.....40757  
34.....40757  
39.....40757  
40.....40664, 40757  
50.....40178, 40664  
52.....37828  
60.....40664  
61.....40664  
70.....40664, 40757  
71.....37828  
72.....40664  
73.....41448  
110.....38335, 40664  
150.....40664  
170.....37828  
171.....37828

#### Proposed Rules:

Ch. I.....41633  
20.....42546  
35.....42546  
50.....41493, 41968  
1049.....36743

1705.....38089  
**11 CFR**  
106.....42380  
113.....41890  
9005.....42380  
9007.....42380  
9012.....42380  
9034.....42380  
9036.....41891, 42380  
9038.....42380  
9039.....42380

#### Proposed Rules:

114.....41496

#### 12 CFR

19.....38024, 41726  
32.....37272  
225.....38048  
262.....38048  
263.....38048  
308.....37968  
508.....38302  
509.....38302  
512.....38302  
513.....38302  
611.....42649  
620.....42649  
621.....42649  
701.....37276, 37828  
741.....37276  
747.....37762  
1617.....40484

#### Proposed Rules:

Ch. X.....41022  
34.....42546  
356.....37673  
500.....41972  
516.....41972  
543.....41972  
544.....41972  
545.....41972  
546.....41972  
552.....41972  
556.....41972  
563.....41972  
563b.....41972  
563f.....41972  
566.....41972  
571.....41972  
574.....37162, 41972  
584.....41972  
922.....37303  
931.....37303  
932.....37303

#### 13 CFR

107.....37459  
108.....41055  
121.....37276, 37648, 41057,  
41787, 42524

#### Proposed Rules:

121.....38364, 41891

#### 14 CFR

21.....37279, 41048  
25.....37279, 41635  
27.....41048  
29.....41048, 41635  
33.....41635  
39.....37139-37144, 37282,  
37462-37470, 37649, 38337,  
38338, 40494, 40770-40774,  
41058, 41449, 41927, 41928,  
42224-42230  
71.....41059, 41060

73.....37607  
91.....41048  
93.....41200  
95.....41929  
97.....41060  
107.....41422  
108.....41422  
158.....37127  
413.....41062  
415.....41062

#### Proposed Rules:

21.....36972-36976, 42958  
29.....42958  
36.....36976  
39.....36747, 36748, 37167-  
37169, 37317-37320, 38090,  
40278-40282, 40581, 40813,  
42960-42964  
43.....36976  
71.....38092, 40660, 40814,  
41097, 41633, 41634, 42965  
91.....36976  
141.....36976  
147.....36976

#### 15 CFR

19.....41281  
771.....40494  
773.....40494, 42652  
776.....40494  
778.....40494  
779.....40494, 42652  
799.....40494, 42824  
1160.....41281  
1170.....41281

#### Proposed Rules:

770.....42665  
771.....42665  
772.....42665  
773.....42665  
774.....42665  
775.....42665  
801.....37170  
2301.....38004, 38007

#### 16 CFR

1500.....37831  
**Proposed Rules:**  
Ch. I.....37026  
1700.....38093

#### 17 CFR

1.....42683  
211.....36999  
231.....36999  
241.....36999  
270.....38485  
**Proposed Rules:**  
1.....37026, 38174  
3.....37026, 38174  
150.....37049  
240.....41635, 42550  
249.....42550  
270.....41635

#### 18 CFR

141.....41450, 41453  
271.....37145  
401.....37954  
**Proposed Rules:**  
37.....41098  
284.....38374, 42712

#### 19 CFR

10.....40776

18.....40776  
24.....37838  
125.....40776  
141.....42526  
145.....42526  
171.....40776  
172.....40776  
200.....36725  
356.....37802

#### Proposed Rules:

4.....40283  
142.....42568

#### 20 CFR

404.....36932, 40780, 41788  
416.....36932, 41454  
422.....41788

#### Proposed Rules:

655.....37145

#### 21 CFR

5.....42527  
172.....42685  
173.....42685  
175.....42927  
176.....42927  
177.....42927  
178.....41455, 41456, 42927  
310.....37792  
333.....41008  
500.....40502  
510.....37472, 37473, 41902  
520.....37473  
524.....37473  
558.....37838, 41902  
589.....40502  
878.....36871  
1301.....36726, 36727  
1302.....42231  
1308.....42935

#### Proposed Rules:

Ch. I.....42668  
101.....40660, 42380  
102.....40660  
130.....42380  
131.....42380  
133.....42380  
135.....42380  
136.....42380  
137.....42380  
139.....42380  
145.....42380  
146.....42380  
150.....42380  
152.....42380  
155.....42380  
156.....42380  
158.....42380  
160.....42380  
161.....42380  
163.....42380  
164.....42380  
166.....42380  
168.....42380  
169.....42380  
206.....41313  
207.....41313  
314.....41313  
333.....37622  
357.....38391  
803.....41314  
888.....37954

#### 22 CFR

41.....41068



Proposed Rules:

121..... 42285

211..... 42766

1007..... 37866

23 CFR

635..... 37000

1325..... 41394

1327..... 41394

24 CFR

200..... 41790

201..... 36980

203..... 36980

207..... 42798

221..... 42798

231..... 42798

234..... 36980

235..... 37147, 41791

241..... 42798

570..... 41936

888..... 37148

889..... 36728

Proposed Rules:

81..... 41022

25 CFR

Ch. III..... 40702

26 CFR

1..... 40245, 40507, 41792

31..... 40246

35a..... 42687

52..... 40246

54..... 40507

602..... 40245, 40507, 41792

Proposed Rules:

1..... 38391-38399, 40285, 40815-40842, 41102-41105, 41496, 41891, 41992, 41993

7..... 41993

48..... 42287

52..... 40286

27 CFR

24..... 38486

Proposed Rules:

9..... 37501, 40583

178..... 41105

28 CFR

44..... 40247

29 CFR

870..... 40660

1910..... 37650

1926..... 41793

2676..... 40551

Proposed Rules:

507..... 37175

2510..... 36750

2617..... 36750

30 CFR

901..... 41794

913..... 37011

914..... 37013-37016

920..... 37839

944..... 41795

946..... 37153

Proposed Rules:

740..... 38175, 42712

761..... 38175, 42712

772..... 38175, 42712

784..... 40286

217..... 40286

218..... 37868, 37869

219..... 37051, 37870

220..... 37871, 42299

221..... 41314

222..... 37873, 42712

31 CFR

3..... 42937

17..... 40781

535..... 40552

550..... 37156

32 CFR

210..... 42938

255..... 41940

295..... 37873

552..... 37130

626..... 37019

627..... 37019

706..... 37284

755..... 42232

806b..... 42939

1904..... 41457

1905..... 41458

Proposed Rules:

199..... 41496

33 CFR

1..... 41392

100..... 40553, 42687, 42939, 42941

110..... 40360

117..... 37474, 38072, 40418, 41283, 41460-41462

161..... 37475

165..... 37851, 37852, 40250, 40251, 40360, 41284, 42234, 42687, 42942-42944

334..... 42527

Proposed Rules:

Ch. II..... 40446

100..... 37886

110..... 38093

117..... 40420, 41498

155..... 43534

161..... 36910, 40946

165..... 37052

334..... 41500

34 CFR

347..... 40194

Proposed Rules:

300..... 41266

35 CFR

251..... 40554

253..... 40554

36 CFR

7..... 37158, 41942

28..... 42788

1191..... 38174

Proposed Rules:

13..... 37262

51..... 41894

219..... 42300

37 CFR

1..... 42528

201..... 38340

Proposed Rules:

1..... 37321, 40660, 41890

10..... 37321, 40660, 41890

38 CFR

36..... 40556, 40792

Proposed Rules:

3..... 40661

4..... 37053

13..... 40661

39 CFR

111..... 36729, 41462

Proposed Rules:

111..... 36750

3001..... 42713

40 CFR

51..... 42216

52..... 37475, 37651, 38073, 40252, 40253, 41284, 41463

60..... 41391

61..... 37158

80..... 37020

81..... 37285, 37288, 37654

147..... 41071

180..... 40257, 40258, 41464, 41465, 42530

186..... 40258

261..... 41072, 41164, 41286 41944, 42504

265..... 42504

266..... 42504

268..... 41164

271..... 37290, 37291, 41164, 41626, 41958, 42944

272..... 41626, 41958

280..... 38342

712..... 42688

716..... 42688

721..... 40204

Proposed Rules:

Ch. I..... 40446, 42572

51..... 40843

52..... 37195, 38399, 40287, 40843, 41500, 42302, 42572

60..... 40843

61..... 37196, 41811

63..... 42305

122..... 40948

136..... 37331

146..... 41108

180..... 40291, 42574-42580

260..... 37331

261..... 37331

280..... 40292

721..... 42714

744..... 37686

41 CFR

101-16..... 42162

101-17..... 42166

101-41..... 40259

101-48..... 40259

301-8..... 37478

302-1..... 40946

42 CFR

57..... 40563, 40720, 40728

60..... 42696

400..... 38074

405..... 41726

406..... 38074

407..... 38074

412..... 43196, 43358

413..... 43196, 43358

1003..... 42532

Proposed Rules:

413..... 41110

417..... 38485

441..... 37054

448..... 37054

489..... 37054

43 CFR

Proposed Rules:

3800..... 41315

Public Land Orders:

6866..... 38083

6867..... 40263

6868..... 40263

6869..... 41075

6870..... 42541

6871..... 42539

6872..... 42540

6873..... 42540

6874..... 42540

6875..... 42539

44 CFR

64..... 41291, 41295

65..... 41296, 41298

67..... 38485, 41299-41303

Proposed Rules:

67..... 41315-41323

45 CFR

97..... 38345

Proposed Rules:

3..... 42015

232..... 42581

233..... 38094

302..... 42581

46 CFR

16..... 41392

28..... 40364

221..... 40661

Proposed Rules:

Ch. IV..... 37505

514..... 42016

540..... 40586

550..... 37069

580..... 37069

581..... 37069

586..... 38404

47 CFR

0..... 36729

1..... 37665, 40566

2..... 42702

22..... 37853

25..... 42702

36..... 42706

64..... 36729, 40793

73..... 36733-36735, 40264, 40566, 40568, 40569, 40799, 40800, 41075, 41076, 41466, 41805, 41961, 42707, 42946

76..... 37954, 41077

87..... 38083

90..... 41467, 41468

97..... 37160, 40800

Proposed Rules:

0..... 41502

1..... 41502

2..... 41502

25..... 38406

64..... 40844

73..... 36751, 36752, 40295, 40296, 40589-40592, 40843, 40844, 40847, 41113, 41811-41814, 42016, 42017, 42306, 42966, 42967

76..... 4084

95..... 41502

**48 CFR**

Ch. I..... 41728  
 1..... 37257  
 2..... 41729, 41744  
 3..... 41729  
 4..... 41744  
 5..... 37257, 41730, 41744  
 7..... 41744  
 8..... 37257, 41744  
 9..... 37257  
 10..... 37257  
 12..... 41731, 41744  
 13..... 41730  
 14..... 37257, 41732  
 15..... 37257, 41732, 41734  
 16..... 37257  
 17..... 37257  
 19..... 37257, 41730  
 20..... 41735  
 25..... 37257, 41735  
 26..... 41736  
 27..... 37257  
 30..... 41744  
 31..... 37257, 41738, 41739  
 33..... 37259  
 35..... 37257  
 36..... 37257  
 42..... 37257  
 43..... 37257, 41744  
 44..... 37257  
 45..... 37257, 41740  
 49..... 37257  
 50..... 41740  
 52..... 37257, 41729, 41731-  
 41734, 41736, 41744  
 53..... 41741  
 219..... 37963  
 232..... 37963, 38174  
 252..... 37963, 38174  
 352..... 37668  
 901..... 41962  
 904..... 41962  
 908..... 41962  
 909..... 41962  
 914..... 41962  
 915..... 38174, 41962  
 917..... 38174  
 919..... 42946  
 922..... 41962  
 933..... 41962  
 935..... 41962  
 942..... 41962  
 943..... 41962  
 950..... 38174  
 952..... 41962  
 970..... 38174, 41962  
 971..... 41962  
 1510..... 42235  
 1552..... 42235  
 1839..... 38485  
 2801..... 37859

**Proposed Rules:**

7..... 37404  
 31..... 40714  
 32..... 40716  
 42..... 40714, 40716  
 52..... 37404  
 245..... 40848  
 328..... 42586  
 352..... 42586  
 922..... 38096  
 937..... 38096  
 952..... 38096  
 970..... 38096, 42584, 42588

**49 CFR**

28..... 37292  
 199..... 41077  
 385..... 40801  
 391..... 40806  
 531..... 37478  
 571..... 38084  
 572..... 41077  
 1002..... 42236  
 1011..... 37860, 41304  
 1151..... 37860  
 1152..... 38175  
 1180..... 41806

**Proposed Rules:**

Ch. X..... 40592  
 107..... 36992, 37505  
 171..... 37505  
 172..... 37505  
 173..... 37505  
 175..... 37505  
 177..... 37505  
 178..... 37505  
 218..... 40296  
 225..... 40593  
 229..... 40296  
 350..... 40848  
 396..... 40848  
 552..... 42715  
 571..... 37332, 38099-38105,  
 40852, 40853, 41815, 42307,  
 42380  
 572..... 38108  
 630..... 38256  
 1037..... 36752

**50 CFR**

17..... 40265, 41473  
 20..... 41608, 42806, 43542  
 23..... 41806  
 215..... 36735  
 216..... 41304, 41308  
 227..... 42541  
 228..... 41628  
 253..... 41489  
 641..... 37606, 42711  
 661..... 37161, 37671, 38086,  
 38087, 40268, 41631  
 663..... 37022  
 672..... 36739, 38346  
 675..... 38346, 40809, 40810,  
 41309  
 685..... 37023, 37300

**Proposed Rules:**

Ch. I..... 40446  
 Ch. IV..... 40446  
 Ch. VI..... 40594  
 17..... 36753, 37200, 37513,  
 40002, 40854, 42968  
 20..... 40297, 42198  
 32..... 42018  
 33..... 42018  
 216..... 40594  
 217..... 36753  
 227..... 36753, 42970  
 251..... 42590  
 669..... 41114  
 685..... 37070, 41643

**LIST OF PUBLIC LAWS**

Note: No public bills which  
 have become law were  
 received by the Office of the  
 Federal Register for inclusion  
 in today's List of Public  
 Laws.

Last List August 22, 1991